

## **From Moments to Minutes Advertising with Social Play**

Virtual worlds are a rapidly growing social-media platform, and this is particularly true for kids. Thought of by many as 3D renditions of 2D social networks, virtual worlds supply many desirable features for the youth market still unavailable in the realm of social networks. Among these are a sense of immediacy, unparalleled media richness, and the heightened interactivity possible in the virtual space. Young consumers respond to the immediacy of communications, meaning that communications occur in real time (while social networks still primarily provide asynchronous response). Real-time response adds to the sense of contact comfort participants feel. Media richness is embellished with the enhanced visual representations of virtual worlds as well as the ability to chat using instant messenger, electronic mail, and sometimes voice chat features. Lastly, social networks like MySpace are limited in what can be offered for participants in terms of entertaining and interactive pursuits within the space. It is no wonder then that young consumers are enamored with virtual worlds. eMarketer estimates that 24% of the 34.3 million child and teen Internet users in the United States used virtual worlds on at least a monthly basis in 2007 and this figure is expected to rise rapidly over the short term.<sup>1</sup>

For marketers, social virtual worlds represent an enormous opportunity for branding by extending the time consumers spend with a brand's message from moments to minutes. Indeed, the average amount of time spent per session in social virtual worlds ranges from as little as twenty minutes to more than two hours—substantially more than the typical thirty seconds of attention garnered by a television commercial. This advantage accrues simply from the time spent with the message. In addition to increases in the time spent elaborating on a message, there is added value in brand-consumer interaction. Nowhere is this level of interaction more possible than within the confines of a social virtual world. Reuben Steiger, CEO of Millions of Us, acknowledges the importance of brand-consumer interaction when he notes that the most successful advertising approaches in these kid-targeted virtual worlds will be those that use participation programs to enhance a child's experience in the space, rather than intruding the way typical television advertising might.<sup>2</sup> In this chapter, we'll explore the types of virtual worlds targeting children and the possible revenue models, identify reasons for the growth of this platform among a younger demographic, and consider the challenges and best practices for advertising to young consumers using this platform.

## ■ Marketing and Revenue Modes for Youth-Oriented Virtual Worlds

Youth-oriented virtual worlds can be classified using several categories, from the specific youth age group targeted, the world's purpose, or the degree of branding exclusivity to the world's revenue model. Worlds do tend to target first on specific age group. Gaia Online, for example, targets 13- to 18-year-olds, while Disney's Pirates of the Caribbean targets those ten years and older. Webkinz and Nicktropolis target kids aged seven to fourteen. Mypets.com, another Webkinz imitator, seeks an even younger audience of 4- to 7-year-olds. Like adult-targeted virtual worlds, virtual worlds for kids can be categorized as open, meaning that the site is not affiliated with an exclusive, sponsoring brand, or closed, meaning that the site is exclusively branded. The open-world model is more common for adult-targeted sites, while closed worlds are more heavily utilized when targeting children. Whyville and Doppelganger are examples of open, youth-targeted sites; Webkinz is a premier example of a closed world. In both cases, opportunities for branding and advertising exist for nonaffiliated brands, but in Webkinz (and other similarly branded worlds) the underlying mission of the site is to foster involvement with and drive sales for its own brand.

The worlds also vary based on the purpose they purport to serve for their members. The primary offerings promoted thus far include “play” with a focus on toys, entertainment, and education (or edutainment). The “play” offer is the most prevalent thus far with many worlds affiliated with a toy, stuffed animal, or product of some sort. Be-Bratz offers a line of dolls sold with a pink, pet mouse and a flash drive that links to the Bratz virtual world. BarbieGirls.com is bundled as part of a BarbieGirls doll-shaped MP3 player which links to the site and provides access to free features like clothes and other virtual goodies.

The virtual-world marketing approach is especially appealing to media companies, offering entertainment value to the target market, which can leverage the platform to build interest in a media franchise and loyalty to franchise-related products. A media franchise is a set or series of components based on an original work, generally fiction, such as film, literature, television programming, or video game, involving a story, characters, and setting. The franchise may include multiple installments of the story as well as the merchandising of related products and endorsements. The Matrix franchise is a great example of the power of media franchising, with multiple films, branded video games, merchandise, online sites, and more. The media franchise is at its core a brand, and the more valuable the franchise, the more valuable the brand’s equity. Past successes lead to future successes for new components of the franchise. Consequently, media companies recognize that there is great opportunity for building media franchise value by building virtual-world portfolios. Involvement in the world heightens involvement in the franchise, breeding future success. What’s more, this approach can be among the most efficient techniques. The cost to launch a world might run, for a company like Disney, \$5–10 million. But its maintenance costs once launched are miniscule. Thus, Disney is pursuing a virtual-world portfolio strategy, which is useful for matching themes to its entertainment properties and for matching activities to specific age groups. Its Pirates of the Caribbean world will be complemented by other worlds themed for Cars and Tinker Bell among others. Ultimately, every franchise in Disney’s portfolio could have a corresponding virtual world. Preschool children can begin with Pixie Hollow, move on to Club Penguin and then Cars, and graduate to Pirates of the Caribbean. Warner Brothers plans a similar strategy with worlds for Looney Tunes, Hanna-Barbera, and DC Comics. Entertainment companies view the popularity of virtual worlds as a new entry into the minds of children. Once upon a time, these companies would have turned to Saturday morning cartoons, but the proliferation of the Internet results in a need to rethink the best way to reach

young consumers. Whyville is a leader in the realm of edutainment, offering social networking in an immersive, virtual environment with opportunities for members to learn about and identify methods of response to pressing environmental issues like the effects of viral diseases in dense populations.

These worlds also vary based on revenue model. There are four possible business models: (1) the product tie-in model, (2) the fee-based model, (3) the ad-supported model, and (4) the hybrid model. Some worlds, the worlds emphasizing “play,” are funded with product tie-ins (especially stuffed animals). Webkinz, Neopets, BarbieGirls, and many more have found initial success using the product tie-in model. Many worlds have sought to imitate the success of Webkinz by offering stuffed animals or other toys. A related revenue source is the sale of virtual goods for members.

The fee-based model is primarily marketed as the non-advertising model with the worlds emphasizing their “no-ad environment” as a selling point for parents. Nickelodeon’s Nicktropolis promises no advertising as does Disney’s Club Penguin. Club Penguin earns revenue from subscriptions (\$5.95 per month) and merchandising Club Penguin clothing. Based on Club Penguin’s membership figures, the subscription fees would result in revenues of more than \$50 million per year.

Whyville and Gaia Online follow an advertising revenue model but emphasize that branded events or sponsorships perform better for brands than do display advertising. Toyota Scion has been applauded for its promotion, in both Gaia Online and Whyville, which offered virtual Scions to participants. This promotion was successful in terms of direct participation (with thousands of virtual Scions given away) in the promotion and generation of in world buzz and chatter about the virtual Scions. The children participating in these promotions are not old enough to drive yet, but Toyota recognizes that it has an opportunity to build a relationship with them now and maintain that relationship until they reach driving age. This tactic is not uncommon; it is known as “growing a consumer.” Toyota’s use of the Scion promotion is a great example, but in-world sponsorships are not always commercially focused. Whyville designed a simulated ecological catastrophe to promote the children’s version of Al Gore’s book, *An Inconvenient Truth*. Whyvillians are encouraged to identify ways to deal with environmental issues like tropical storm damage.

Webkinz serves as a good example of a well-developed business model for virtual worlds. Members are introduced to the Webkinz World through the purchase or gift of a Webkinz stuffed animal. The plush animals come with a code for membership in the Webkinz World, an online

play area for members complete with its own economy and currency (KinzCash). Once in world, the stuffed animal is transformed into a virtual pet. Kids are taken through an adoption process through which they name the pet and learn about the Webkinz World. There, members care and provide for these virtual versions of their stuffed animals by building rooms to their pet's homes, decorating the homes with furniture and accessories, buying food, clothes, and toys for the virtual pet, and more. Members pay for these purchases with KinzCash which can be earned by adopting new pets or buying accessories like lip gloss, trading cards, and backpacks, playing games on the site, answering educational questions, and participating in a range of Webkinz World activities. The need to continue earning and spending KinzCash is the critical motivator to ongoing and lengthy visits to the site. Webkinz offers a premium level for enhanced tools for a fee and also sells advertising space in the form of display advertising occasionally on the site. Finally, Webkinz access codes expire after one year, requiring kids to purchase additional toys (ensuring that there is an ongoing source of revenue) if they want to continue playing in world. Thus, the Webkinz revenue model is primarily focused on the product tie-in, but there is a hybrid component in that additional revenue is generated from fees and advertising.

## ■ The Growth of Youth-Targeted Virtual Worlds

Virtual worlds targeting the underage demographic are definitely in a growth stage. There are few barriers to entry in this market. New entrants in the youth-targeted virtual-world arena are being devised and created and participation across the board continues to increase. Despite Second Life's position as the media darling of social virtual worlds, virtual worlds targeting the youth market far outpace Second Life and other adult-targeted worlds in terms of traffic. In fact, the top ten virtual-world sites all target kids and all trounce Second Life on traffic statistics. According to eMarketer, Webkinz, BarbieGirls, and Club Penguin all boast users upward of 5 million each.<sup>3</sup>

Why are these youth-targeted worlds so magnetic? We typically think of advertising and other forms of marketing communication as a device for informing or persuading consumers of the availability of a specific product that can meet a need they have. In the case of virtual worlds (and also social networks), the device itself meets the need of consumers—a need for social interaction.

Jim Bower, CEO of Whyville, makes this point saying, "It turns out there is a significant difference between the way adults use Second Life

and other social-networking sites and the way that kids use Whyville—Whyville isn't their second life, it is their first life."<sup>4</sup> According to Bower, the majority of Whyvillian interactions are with real-world school friends or with distant relatives. While adult social worlds meet other needs, including esteem needs (to be something other than one's actual self, to acquire a degree of status unattainable in the real world, and to meet new people), kid-focused social worlds enhance the ability of the children to interact with the same people they would communicate with anyway. The world simply acts as a different, albeit immersive, visually stimulating, and sometimes goal-oriented, channel.

Some of these worlds, particularly Webkinz, have taken on fad status much like that of Beanie Babies in years past. Webkinz differentiates itself from others with its plush and cuddly stuffed animals and certainly benefits from a first-mover advantage, being an early entrant in the toy-tie-in virtual-world model. But more so than its distinctiveness or first-mover advantage, Webkinz and other top kid-oriented worlds meet specific criteria that make them go-to sites for their target markets. These criteria include relative advantage, simplicity, trialability, and observability. These factors help to explain the rapid growth of social virtual worlds for children.

First, these sites offer some relative advantage over other virtual worlds, social networks, and even other forms of entertainment like television programming. Matthew Nelson of ClickZ points out that youth-targeted virtual worlds offer parents a relative advantage by offering virtual worlds with controls and protections for children in place.<sup>5</sup> For the children, the relative advantage depends upon the perspective. Virtual worlds are more interactive than television and more immersive than social networks. Within the virtual-world arena, different worlds offer a relative advantage by focusing on toy tie-ins (e.g., Webkinz and Neopets), entertainment (e.g., Disney's Pixie Hollow), or edutainment (e.g., Whyville). Second, the sites are simple to use. Most worlds do not require (Doppelganger is an exception) special software to be downloaded from the virtual world to make the world compatible with the user's computer hardware and software. Tutorials are available to encourage new participants to feel comfortable interacting as quickly as possible. Third, the worlds offer trialability for both parents and their children. This means that people interested in the site, trying to understand how it functions, can take a tour to explore prior to committing to a membership. Frequently Asked Questions pages are generally available for parents to alleviate concerns about their child's interactions. Some sites have affiliated message boards for parents to ask questions of each

other, which also enhances the perception that they are able to try the world before making a commitment to membership. Fourth, and most importantly, the popular kid-targeted virtual worlds have harnessed the influence of observability. That is, worlds like Webkinz, Club Penguin, and Stardoll benefit from the “networking effect.”

As membership in the world grows, the value to members increases. The greater the number of people involved in the world, the more likely it is that a new member will have friends in the world. There is more social proof that the world in question is a good place to be in, as a member. Social proof is an influential tool for persuasion that occurs when a person uses the choices of others as evidence of how he or she should also behave. The more members affiliated with a virtual world, the bigger the buzz about participating in that world, and the more the social proof for participation. The world is increasingly observable in that members are likely to talk about their in-world activities at school or on the telephone as a part of their real-world social interactions. These characteristics—relative advantage, simplicity, trialability, and observability—explain the success of kid-targeted virtual worlds.

There is one characteristic that has thus far limited these worlds, with the exception of MTV’s Worlds: compatibility. The extent of duplication in the membership of these youth-targeted virtual worlds is unclear, but anecdotal evidence suggests that many virtually active kids participate in more than one world. It may seem wise to create perceived investment and switching costs for participants to inhibit their interest in other social environments. However, members will appreciate having the benefit of portability for their avatars and profiles. MTV’s Worlds promote portability across worlds (at least within the MTV portfolio), allowing members to shift from world to world and communicate across worlds to friends without shifts in virtual location. Google’s OpenSocial project seeks to offer portability for social-networking sites; hopefully, similar progress will be forthcoming for virtual-world environments, too.

## ■ Challenges Facing Youth-Oriented Virtual Worlds

Social virtual worlds offer young people many opportunities for entertainment, socializing, communicating, and learning. For these reasons, they have largely been embraced by parents and teachers who recognize the potential benefits. For example, Todd Copilevitz, commenting on his daughter’s enthusiasm for Webkinz, writes, “My daughter is now scheming ways to afford her next Webkinz, #17 if I’m not mistaken. Each has an online counterpart that has friends, a home, a mortgage, and rich world of

imagination. That's something the PowerRangers never managed to deliver."<sup>6</sup> Still, these worlds have also come under criticism for promoting consumerism, materialism, and an artificial version of reality. Could the slogan for BarbieGirls.com be a line from Madonna's *Material Girl*?

Virtual worlds walk a fine line in this regard. They cannot exist without revenues to support the costs of developing and maintaining the sites. Admittedly, many if not all were created for marketing purposes. Stephanie Olsen, staff writer for CNET News.com, reports that executives at companies like Whyville and Gaia Online understand the unprecedented opportunity to market to children in an engaging and immersive fashion using virtual-world platforms but that they also acknowledge there are minimal standards in place to protect children.<sup>7</sup> Kathryn Montgomery, author of *Generation Digital: Politics, Commerce, and Childhood in the Age of the Internet*, explains that digital marketing taps into the developmental needs of young people.<sup>8</sup> By blurring the lines between content of interest to young consumers and product marketing, brands are able to reach young consumers with high levels of motivation to elaborate and act on the brand's message. The only regulation in place to protect children online is the Children's Online Privacy Protection Act of 1998. This legislation requires Web sites targeting children under the age of 13 to post a detailed privacy policy and obtain parental permission prior to collecting any personal information. The legislation does not directly address advertising and was developed before the concept of Web 2.0 and virtual worlds existed.

Advocacy groups exist to promote and protect the rights of children. For instance, Common Sense Media (see [www.commonsensemedia.org](http://www.commonsensemedia.org)) maintains a well-developed scorecard-style review system on Web sites, movies, television programming, games, and books targeting children. Its ratings include categories for violence, language, sex, and message. The message rating includes subcategories for social behavior, commercialism, and drug and alcohol usage. Parents and children are invited to submit ratings along with Common Sense Media professional raters, resulting in recommendations, including appropriateness by age. Webkinz's review on the Common Sense Media Web site provides a good example of the organization's approach to educating parents and their children on the benefits and drawbacks of participating in specific virtual worlds. Webkinz received a positive endorsement for kids ages eight and above. Common Sense Media's review of Webkinz reminds parents that the fun environment and online activities make it necessary to maintain time limits for users noting the addictive quality of the virtual world. The review cautions parents that fake ads (encouraging kids to eat fruit,

for example) are sometimes intermixed with real ads (for age-appropriate products like movies) and that the activity of earning KinzCash that can then be spent in the W store promotes consumerism. In addition, the site access granted with purchase of a toy expires after one year. To maintain access, kids will need to buy a new pet. However, Webkinz is also applauded for teaching kids about monetary exchange and shopping, and the care of pets.

Reviews like those provided by Common Sense Media help to minimize the need for legislation to protect children online. In addition, groups like the Campaign for a Commercial-Free Childhood have been active monitoring advertising on many virtual-world sites. In particular, this advocacy group garnered parental and media support against advertising on the Webkinz site when advertisements for the “Bee Movie” and “Alvin and the Chipmunks” were spotted. Webkinz responded promptly by eliminating the offending ads. A Ganz spokesperson, Susan McVeigh, told *Brandweek* that Ganz, the owner of Webkinz, considers third-party advertising cautiously and allows minimal advertising with no advertising that would drive children outside the Webkinz Web site.<sup>9</sup>

The sites that promote themselves as environments with no advertising certainly seek to appeal to parents and child advocacy groups. Still, it is important to note that these “no-ad” virtual worlds are still branded. Club Penguin is a Disney brand. Nicktropolis promotes the Nickelodeon family of programming. These worlds may not sell traditional display advertising or interactive sponsorships to external brands, but their own ads are there, embedded in the worlds themselves.

Other worlds, like Neopets, have addressed privacy and safety concerns by restricting certain areas of the world based on age unless parental permission is given. Neopets (as do some other worlds) also has regular patrols around the world to monitor language, violence, and other possible inappropriate social behaviors. The key for these worlds and for marketers using the worlds as a promotional platform is to balance the commercial components with valuable benefits for the users.

The potential for regulation and legislation to protect children is not the only challenge facing social virtual worlds for kid. Others revolve around the psychology of trends. In fact, one could say that the biggest challenge for social virtual worlds for kids is that they target kids! Brooks Barnes points out that being able to create and play with an avatar cannot serve as a company’s long-term differential advantage.<sup>10</sup> Kids do show excitement for creating their own online identity and interacting with others using avatar representations. But it is not a competitive advantage because there are numerous other sites that offer a 3D world for one’s

self-designed avatar. As long as children turn to this form of media, many competitors can succeed in the field. However, kids have a reputation as fickle consumers who will follow the next fad when it appears. It is difficult to predict how long kids will choose to spend their leisure time socializing in these virtual-world environments.

Related to this concern is the issue of how to maintain the desirability of virtual worlds, especially when investing in specific worlds. Webkinz, for instance, successfully created a perception of scarcity with parents going on hunts to find specific Webkinz toys like the alley cat or bull frog. Robert Cialdini's *Influence: The Psychology of Persuasion* identifies scarcity as one of the six principles of persuasion.<sup>11</sup> Related to the theory of psychological reactance, perceptions of scarcity work to incite an intense drive to have something that one believes is less available. Scarcity is powerful in part because people assign more value to things that are difficult to attain. Item availability can also be used as a proxy for product quality much the way price is sometimes used as a quality indicator in the absence of other information. Finally, when people experience a sense that something is unavailable, there is a feeling of lost freedom associated with the sensation. People naturally resist restrictions on their personal freedoms and will make decisions designed to protect their freedom. Lastly, people respond most fervently to scarcity when it requires that they compete with others to acquire the item in question. When applied to the use of scarcity as a marketing tool, the result is a preference for hard-to-come-by items perceived as desirable and of high quality due to their scarcity, with an inclination to protect one's rights to the product by seeking it out and making a purchase. Webkinz has utilized scarcity as a marketing tool brilliantly, particularly given that it is more influential for children than for adults. Cialdini suggests that teenagers are particularly sensitive to restrictions on their freedoms because that period of time is characterized by explorations of individuality.

Webkinz initially utilized the scarcity principle of influence by releasing only limited numbers of its plush toys and distributing the toys through specialty retailers. However, more recently, Webkinz increased its supply substantially while shifting to convenience model of distribution intensity. Not only did more Webkinz toys reach stores, but they are now distributed in warehouse clubs, gas stations, and roadside eateries, too.<sup>12</sup> As the availability becomes apparent, the sense of scarcity dissipates, and the positive effect on the Webkinz brand fades. Granted, virtual worlds offer value for young consumers, aside from the enhanced sense of equity produced from influence tactics, and the product (whether it be stuffed animal, toy, or MP3 players) bundled with virtual-world

access provides a tangible unit of value for consumers. But, as Emily York of *Advertising Age* emphasizes, Webkinz stuffed animals are likely to be found tossed aside and forgotten because kids want them for the ID tags not for the toy itself.<sup>13</sup> As virtual worlds for kids shift from a growth stage where competition is easy and everyone can win because demand is strong to one where the market is saturated, it will be increasingly important to monitor popularity, traffic on competing sites, and new competitors. Social virtual worlds will need to seek out ways to promote a sense of exclusivity in a market that is just not that unusual any more.

### ■ Leveraging Social Virtual Worlds for Kids

What will social virtual worlds need to emphasize? Any product must always focus on its benefits to the consumer regardless of its life-cycle stage. Youth-oriented virtual worlds should continue to promote themselves with their benefits, including tangible goods like stuffed animals, dolls, and MP3 players, access to popular communication channels for socializing with friends, entertainment value, and educational opportunities. These worlds should also consider finding a way to create a portability option that would enable kids who are members of multiple worlds to interact easily between worlds. Portfolios should be developed when applicable to the brand assets tied to the virtual worlds. Disney and MTV have both illustrated the advantages of using a portfolio of social virtual worlds to appeal to kids of different age categories, to maintain a relationship with kids as they shift from category to category, and to build on the media franchises already in place. Virtual worlds should remember that children respond to scarcity in product marketing. But at the same time, children also respond to social proof, the influence of knowing that other people have made a certain decision or behaved in a specific way. They will need to balance the influence of social proof (e.g., more than 5 million have already registered for BarbieGirls.com!) and the influence of scarcity (e.g., where can I get a Webkinz alley cat?). Lastly, social worlds will need to strategically lobby advocacy groups to acquire endorsements. With so many competitors in the virtual space and growing parental concern for children's online activities, offering parents unbiased, well-evaluated assessments from advocacy groups like iParenting Media and Common Sense Media about the appropriateness, safety, and value of specific virtual networks will be important. Doing so will promote a sense of trust and credibility among parents.

How can marketers advertise in social virtual worlds for kids? There are three primary vehicles within this social-media platform: (1) traditional

advertising in world, (2) branded sponsorships, events, and experiences in world, and (3) branding an exclusive virtual world from scratch. First, most of these worlds will sell display advertising space (like billboards) in world. This is an easy approach to testing social-media marketing in a virtual-world space. Unfortunately, it does not take advantage of the level of consumer involvement offered by virtual worlds. It also is quickest to garner criticism from advocacy groups. This is because display advertising is easily identifiable. Display advertising also fails to provide value to the members exposed to the message. In social media, part of the culture is cocreation of content. Simply purchasing access to child consumers is inconsistent with the context.

Second, brand sponsorships and events enable the brand to be embedded within the world's network. In other words, the target audience can be immersed in the advertising. This route is superior to the first if the brand has devised an experience that will give members of the world a reason to participate in the brand experience and share their experience with others. For example, Nike sponsored a competition called Zwinky Field Reporter Quest in Zwinktopia that offered members the chance to interact with Nike athletes Maria Sharapova, Kobe Bryant, LeBron James, and Serena Williams. Members answer questions and solve clues that lead them to the athletes' avatars. Ultimately, members can win Nike items and participate in an in-world Nike press conference. The Zwinky-Nike partnership exemplifies how brands can build an experience that is engaging, immersive, and fun. Participation in a branded experience results in that mother of all marketing benefits—extending brand exposure from moments to minutes.<sup>14</sup>

Brands that choose this route should remember another tool of influence touted by Cialdini, reciprocity. Reciprocity influences relationships in all areas of life. It works by activating one's acceptance of the rule of reciprocity, which states that a person must try to repay another for something he or she provided. Once obligated, the initial recipient will seek to reciprocate the kindness. The rule of reciprocity is a common technique in marketing, and is the foundation of the use of sales promotions (marketing offers like coupons designed to encourage a consumer response within a designated time frame). When marketing in social virtual worlds, the rule of reciprocity can be easily initiated with the offer of incentives for participation in a branded event. For example, a successful promotion on Gaia Online for the New Line film *The Last Mimzy* offered Gaia members a virtual magic stuffed rabbit for their avatars similar to the one in the movie. Widgets, also known as mini-applications or gadgets, are another wonderful engagement device that can be offered as an incentive and

can serve to maintain interest in the brand over time. People can embed the widget onto social-networking pages, blogs, or computer desktops. Some are purely promotional, while others are functional like the successful Weatherbug widget, which offers a desktop preview of the weather.

Third, the brand can develop its own social virtual world. As discussed in chapter 4, apropos social virtual worlds for adults, developing an exclusive branded world requires the greatest commitment of resources but also offers many benefits. The brand can control the messages consumers see in world, and information on consumer behavior can be tracked and mined. More so, building a branded virtual world can result in the world as a profit center rather than a cost center as the world earns revenues from product sales, fees, and selling advertising space to other vendors. Branding a virtual world exclusively also positions the brand for transmedia storytelling. Transmedia storytelling is an approach to branding that utilizes multiple media platforms and multiple story angles and plot lines to engage the target audience. With a virtual world in place, transmedia brands have another channel for their stories and the opportunity to invite members to participate in the story dialogue.

What of the ultimate value to marketers for branding in youth-oriented social virtual worlds? Debra Aho Williamson, author of the report “Kids and Teens: Virtual Worlds Open New Universe” and senior analyst for eMarketer, acknowledges it can be difficult to assign value to a marketing campaign launched in a virtual environment. She asked, “What value is there in a person’s avatar drinking a Pepsi?”<sup>15</sup> This begs the question, what is the ultimate measure of effectiveness for marketing in virtual worlds (or for that matter, using any form of social-media marketing)? It encourages us to reiterate the reasons for being in this space to begin with. Is it to sell more cans of soda (if Pepsi), or more cars (if Toyota)? For some brands, the result will be direct. Disney will likely sell more movie tickets to future installments in the *Pirates of the Caribbean* franchise, more DVDs of the three installments now available, and more branded merchandise by involving young consumers in the *Pirates* virtual world. Ganz counts on Webkinz to sell more toys. For others, the point is indirect. The point is to find another point of attraction between the brand and the consumers, encourage the consumers to elaborate on the brand’s message a little longer and more often than they may have before, and to enhance recall and recognition of the brand and its message. The distinction is not unlike that of the early days of the Internet when critics harped on the uselessness of banner advertising with miniscule clickthrough rates. Yes, there is value in conversion. But there is also value in exposure to the message. Bowers, of Whyville, had this to say,

“This is a very powerful medium for marketing because it involves this huge engagement. It’s more powerful than a sugar cereal commercial.”<sup>16</sup> The power comes from the consumers’ degree of involvement and engagement in the brand’s message, the sense of relationship, the interactivity and cocreation that exist between the brand and the consumer, and the frequency and length of exposure to the brand’s message. For these reasons, marketing via virtual worlds, particularly to youth-markets, will continue to develop over the coming years.