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A Virtual 'Sandbox' for Education and Commerce

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BLOOMINGTON, Ill. – There are worlds where dinosaurs can talk with tigers, and gravity is only a suggestion to those who fly from island to island. This is not a world of literature, but a virtual world, accessible to anyone with a computer.

One of the most successful virtual worlds, Second Life, recently announced a new interface that could offer a more user-friendly door into these computer-generated worlds. That development could mean more educators will be able to take advantage of the virtual world with much greater ease, said Sascha Vitzthum, Illinois Wesleyan University's assistant professor of business administration.

"Right now in the virtual world, everything has to be done by key strokes – every gesture, every move," said Vitzthum, who teaches a course on emerging technologies and working on creating the information systems concentration in business administration at Illinois Wesleyan. "Whether the virtual world becomes user-friendly enough to let people behave the way they want to behave will be the key, but I believe it is going to get there."

According to Vitzthum, there are around 80 virtual worlds currently operating on the Internet, which allow participants to create an online version of themselves, known as avatars, and interact with one another in the computer-generated world. People from across the globe "meet" in virtual worlds, such as Second Life, where they can talk, play, shop and learn.

Universities having a presence in the virtual world is not new. Some provide lecture notes, such as the Massachusetts Institute of Technology (MIT), while others use the world as a meeting and teaching platform. Professor Benn Konsynski from Emory University, where Vitzthum earned his doctorate in Business Administration with a focus on information systems in 2009, created an island in Second Life known as Sim Sim, an environment dedicated to the study of virtual worlds. "The island possess a "sandbox," or area for students that allows them to experiment and create virtual items or products," said Vitzthum.

Academics are doing a great deal of research in the virtual world now, said Vizhum. "Sociologists and anthropologists are studying how communities form in virtual worlds – how people meet and develop relationships."

Virtual worlds are often testing grounds for more than educators. Vitzthum noted the Federal Reserve created an island in Second Life to test economic situations. "If participants own an island in Second Life, they have an almost omnipotent control," he said. "The Fed decided to simulate economic conditions, like those of the 1929 Crash, or having inflation double each day. It is a learning experience."

Sheraton, the hotel conglomerate, created an entire model of a new hotel in the virtual world while the building was still in the design phase. "It was a way for the company to get input on every aspect of design without having to invest in costly software to create a 3-D virtual model,"

said Vitzthum. "Wouldn't it be great if we could see the new classroom building for Illinois Wesleyan in 3-D before it was built?"

Businesses and individuals have used the virtual world for more than simply exploring ideas, but as a way of generating commerce, said Vitzthum.

"In a virtual world, people want to create personas, and entrepreneurs want to help them," said Vitzthum, who recently presented his research on virtual world commerce at the International Conference on Information Systems with researchers from Emory.

One example of a shopping provider is the company Virtual Circle operating in Second Life, which designs accessories such as clothing and shoes for avatars in the virtual world. In 2009, the company reported a very real $200,000 profit from selling computer-image accessories to computer-image avatars.

"People find they want to express their individuality through their avatars," said Vitzthum, "but they do not have the time to create virtual goods, such as clothing, accessories or vehicles. This is where entrepreneurs come in. They design items in the virtual would that provide avatars a way to personalize and express themselves."

Before retail, other attempts at virtual commerce were tried, said Vitzthum. Real-world business like American Apparel bought advertising in the virtual worlds, which acted much like virtual billboards. Entrepreneurs dabbled in real estate, but an unlimited amount of "land" in the virtual world sent prices spiraling. Gambling was also a moneymaker in places like Second Life, until it was banned. Now retail has become the new mode of commerce.

According to Vitzthum, virtual businesses originally tried to replicate real-world businesses with shops, but quickly discovered business could adapt to the freedom of a virtual environment. "Businesses learned quickly that they did not need stores or sales people to sell," he said. Customers can walk past virtual walls with links to inventory and browse. Vitzthum noted this trend reflects the real world in putting customers to work. "Who creates the content for Facebook? The users. Who makes the money off it? Facebook," he said. "You can think of it like getting movies from Netflix instead of walking into a Blockbuster. You do the work that salespeople used to do."

As more virtual worlds develop, they are becoming more specialized to user needs, said Vitzthum, who noted another world similar to Second Life called Kaneva caters to businesses that want to meet in the virtual world. "Some people do not want to turn the corner and run into a dinosaur," said Vitzthum. "It's a different business model. There are tons of people out there trying to find a niche in the virtual world."

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