

Journal of • Virtual Worlds Research

jvwresearch.org ISSN: 1941-8477

Volume 2, Number 3
Technology, Economy, and Standards.

**Community
Creation
Commerce**

Artwork by Anshe Chung Studios

Volume 2, Number 3

Technology, Economy, and Standards

October 2009

Editor

Jeremiah Spence

Guest Editors

Yesha Sivan
J.H.A. (Jean) Gelissen
Robert Bloomfield

Reviewers

Aki Harma
Esko Dijk
Ger van den Broek
Mark Bell
Mauro Barbieri
Mia Consalvo
Ren Reynolds
Roland LeGrand
Vili Lehdonvirta

Technical Staff

Andrea Muñoz
Kelly Jensen
Roque Planas
Amy Reed

Sponsored in part by:



virtual worlds research consortium

The Journal of Virtual Worlds Research is owned and published by:

The JVWR is an academic journal. As such, it is dedicated to the open exchange of information. For this reason, JVWR is freely available to individuals and institutions. Copies of this journal or articles in this journal may be distributed for research or educational purposes only free of charge and without permission. However, the JVWR does not grant permission for use of any content in advertisements or advertising supplements or in any manner that would imply an endorsement of any product or service. All uses beyond research or educational purposes require the written permission of the JVWR.

Authors who publish in the Journal of Virtual Worlds Research will release their articles under the Creative Commons Attribution No Derivative Works 3.0 United States (cc-by-nd) license.

The Journal of Virtual Worlds Research is funded by its sponsors and contributions from readers. If this material is useful to you, please consider making a contribution. To make a contribution online, visit: <http://jvwresearch.org/donate.html>



Journal of • Virtual Worlds Research

jvwresearch.org ISSN: 1941-8477

**Volume 2, Number 3
Technology, Economy, and Standards
October 2009**

Lindman Design:
Virtual World Experiences
By Ludvaig Lindman, Lindman Design

Keywords: virtual worlds; business; entrepreneurship.

This work is copyrighted under the Creative Commons Attribution-No Derivative Works 3.0 United States License by the Journal of Virtual Worlds Research.

Lindman Design: ***Virtual World Experiences*** By Ludvaig Lindman, Lindman Design

Creating a Virtual Company With Zero Knowledge

I founded Lindman Design back in mid 2007 as a virtual company. It started as a small project and its main intention was to explore the new and exciting economy of a rapidly growing community, named SecondLife®.

First of all, starting business in a virtual world is a lot easier than in real life. You basically say *Here I am* and start offering your products. However, before you can sell any products, you have to create them. Product creation, especially successful product creation, involves a lot of knowledge and skills.

So, how are you gonna do that if you don't know anything about these things? Well, that's what I love the most about Second Life®. You invest a certain amount of money and then simply give it a shot. In real life it would be very dangerous, as you would have to take a much higher risk. Properly speaking, you can only win in a virtual world, because even if you fail and lose a few hundred dollars, you gain something much more valuable: knowledge and experience! These are, of course, two very important factors of successful business in both real and virtual environments.

Learning and Understanding Economy of a Virtual World

From my point of view, you only have two opportunities to understand a virtual world's economy: You can either test your ideas against others and go for the more profitable ones, or you can directly learn from more experienced users. However, the latter is a bit more difficult, as successful people tend to keep their secrets to themselves and don't want anyone else to get involved.

So another technique would be to actually combine both methods by trying your own ideas, but at the same time get inspiration from your competitors. A lot of people who do that make a big mistake by actually confounding a decent amount of inspiration with doing an exact replica of a competitor's product. You certainly want to avoid anything like that and so it's most important to keep one's vision clear and focused on the topic.

Becoming a Developer and Making Successful Products

I guess, I can go a bit more into detail by talking about my most successful product in Second Life®: Lindman Weather Systems. When I started my virtual career, I had absolutely no idea about doing professional business. Besides that, I had no idea about graphics design and was especially clueless when it came to writing proper computer code. It took several months and many sleepless nights to understand these things and to build up some skills. In October 2007 I started working on Lindman Weather System and two months later on Lindman Ultimate

Weather System. These products are very well known among the Second Life® community and have many famous users, such as Pathfinder Linden, for example.

There were already weather systems on the market at that time, so I first started doing some quality research by comparing my weather system feature list to my competitors'. That way I could find many ways to improve and later fine tune my product. On top of that, it is simply good practice to listen to feedback from friends and early adopters.

The Product is Ready for Sale - Now What?

You can have the best piece of software available, but if no one knows about it, it won't become a great seller. Given that very fact, good marketing is at least as important as the quality of your product - if not even more important. With that information in mind, I started doing typical Second Life® classifieds (you pay for them once a week, directly to Linden®). Besides that, I explored new market places, such as SLExchange (XStreetSL now) and Onrez (no longer available). These platforms offered an off grid space to sell and advertise your products and helped to gain even more attention.

Again, learning about the proper marketing of your products is the same process as that of learning about doing business in general. You should either try out different concepts, get inspired by others, or combine both of these things.

Big companies often make the mistake of investing crazy amounts of money into their marketing, and forgetting about the end-users' needs. I learned about that pretty soon and decided to offer the best support possible. I also call it „Shock and awe“ support. Even if the first version of your product has some issues, most customers will understand, if you do show them that you care.

It helps to build up a certain reputation, and thereby gain even more customers. They tell their friends who later tell their friends, and so on. Professionals call this type of marketing „viral marketing“ and especially in a virtual world a good reputation can be priceless. Email communication travels at the speed of light and so does information. On the other hand, bad words can certainly do some serious harm to one's business.

I've had many customers telling me that they only bought my products because of my reputation. Friends usually trust their friends and therefore make decisions easier / faster on the basis of friendly advice.

SL / RL - How Metaverse Platforms Influence a Developers' Personal Life

It takes a lot of time to develop products, work on the marketing and later do customer support. If you are a single person trying to get everything done, it's obvious that you will have to cut some time off your private life. This can be dangerous, as people tend to neglect their real life duties, their friends and other important things. One has always to make up his/her mind and stay focused. That way it is possible to enjoy being part of a virtual community and stay successful in real life as well.

Virtual Worlds Spin Faster - Economy in Second Life® between 2007 and 2009 from a Developer's Point of View

Back in 2007 Second Life® was state of the art. You could read about it in all the different magazines, it was on TV all the time and everyone else was talking about it. You could literally feel excitement everywhere.

I still think that early 2007 till mid 2008 were the best days in Second Life®. The real world crisis and other decisions by the company that runs Second Life® surely had an impact on the economy. Although it's getting slightly better and sale numbers are growing again, I think that it needs some new inventions to attract more new customers.

However, I still think that Second Life® is the best place to learn a lot about business, marketing and especially yourself.

Lindman Design finally became a real life company and is proud to name Second Life® and the users that built up that community as its mentors.