

*Main research findings :  
purchase habits in  
Second Life*



## CONTENT:

- **Introduction:**

*Research objectives and Methodology*

- **Usages:**

*Frequency of purchases, amount of money spent ...*

- **Attitudes:**

*Vectors of purchases, behaviors ...*

## **Conclusions**

# *INTRODUCTION*

## **1) Research objectives :**

**Further to our 1st exploratory study “SL perceived by its residents, we wanted to examine resident’s attitudes & usages towards shopping,**

**with particular emphasis given to the prices and suggestions for improving the shopping experience.**

## **2) Methodology:**

**The study took place between 20th and 25th of December 2006 amongst 419 residents of our panel Reperes Second Life.**

**We wanted the residents to express themselves as freely as possible, just keeping in mind one basic principle:**

**the study was exclusively addressed to the avatar and *Real Life* was to be ignored.**

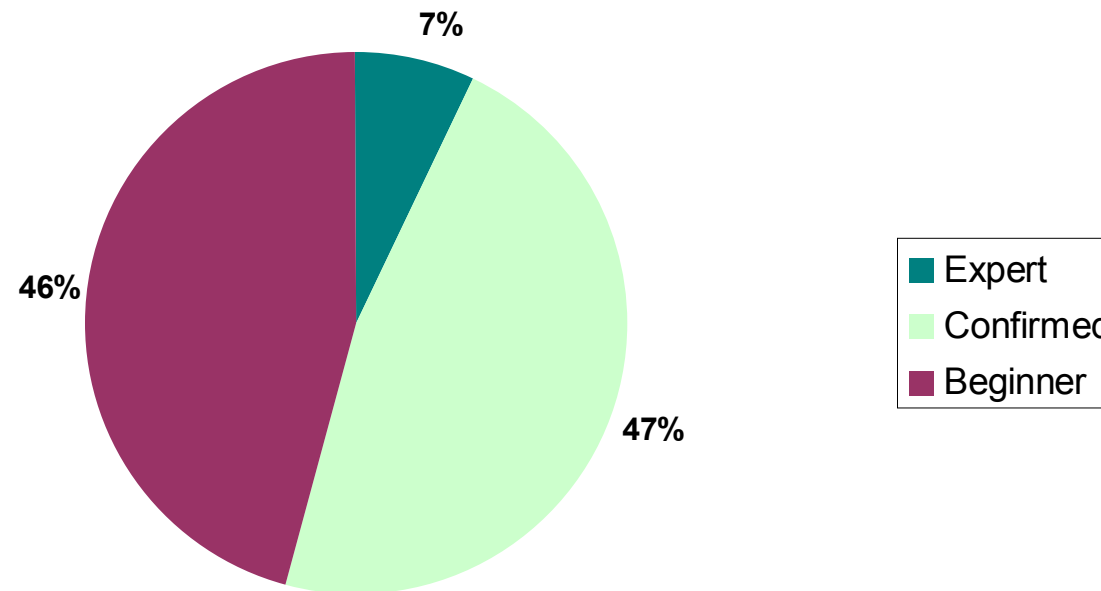
### 3) Sample:

**To be as representative as possible of the Second Life residents, 60 landmarks were randomly selected within Second Life, each of them displaying an invitation to register for our panel.**

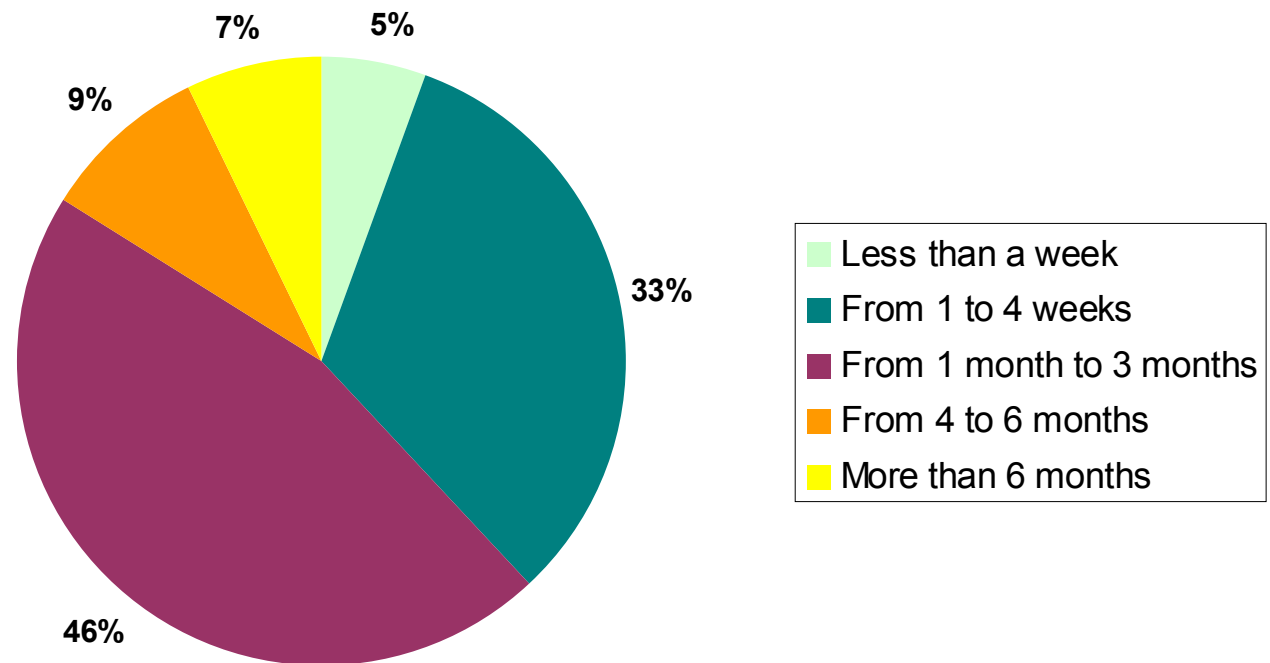
**To draw a brief profile of the interviewees :**

- Mainly from the US (35%), then the UK (14%), France (10%), the Netherlands (9%), Canada (6%). The other nationalities represent the remaining 24% of the respondents,
- 34% stated being a female, 66% a male,
- Their activities are mainly focused on discovering (91%) and meeting people (81%), and to a less extent on buying things (52%), partying (45%), creating objects (41%), casino (33%), selling things (33%), sex (32%), education (29%), ...

**Residents surveyed rate themselves at parity as beginners or confirmed users; only 7% as experts. It is interesting to outline that some shopping behaviors differ between beginners and experts users.**



**And a majority of residents surveyed state to have been in Second Life for more than a month.**

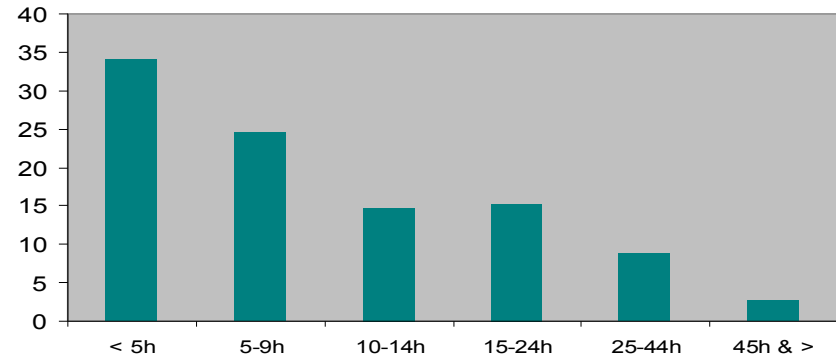




## They spend an average of 22 hours in Second Life, with Experts spending significantly more time in SL compared to Beginners:

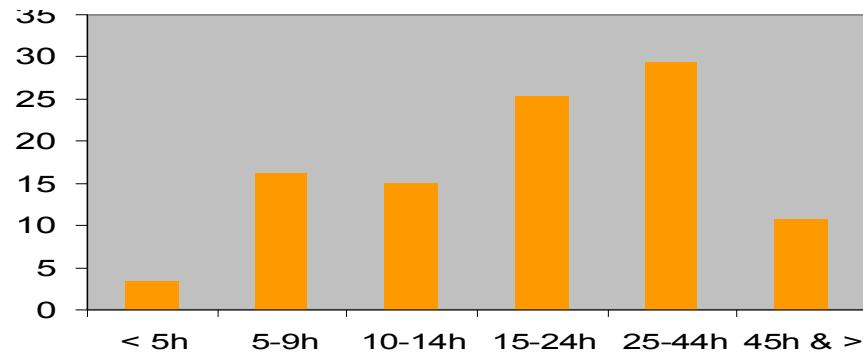
**BEGINNERS** ( $b=193$ )

**Mean = 14 h 45 min/week**



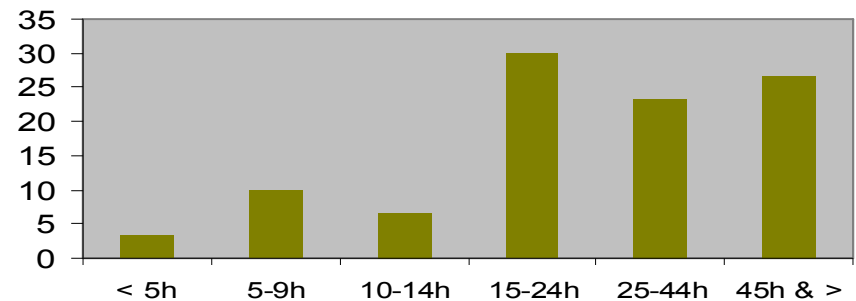
**CONFIRMED** ( $b=196$ )

**Mean = 24 h 45 min/week**



**EXPERTS** ( $b=29^*$ )

**Mean = 37 h 10 min/week**

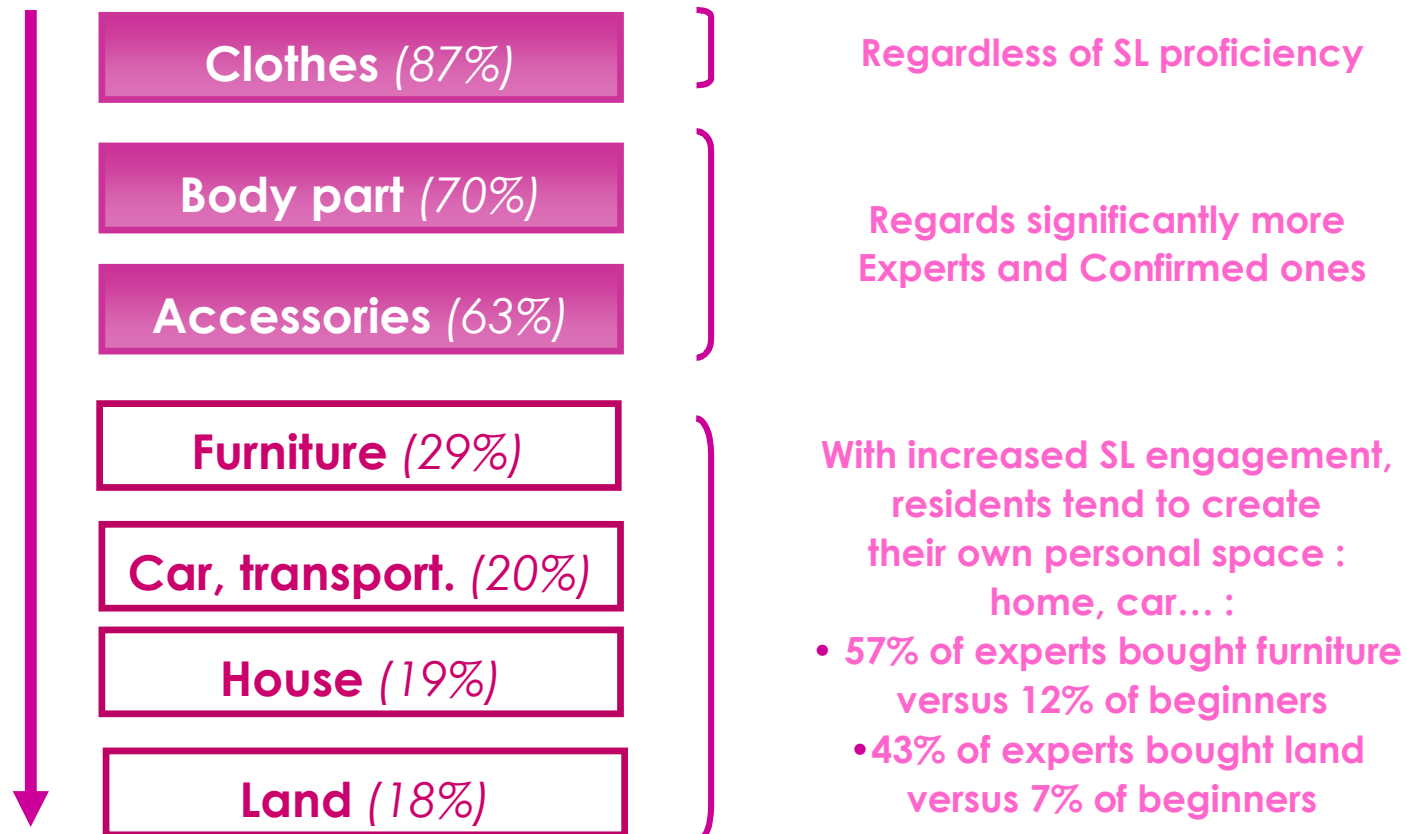


\* ! Low bases !

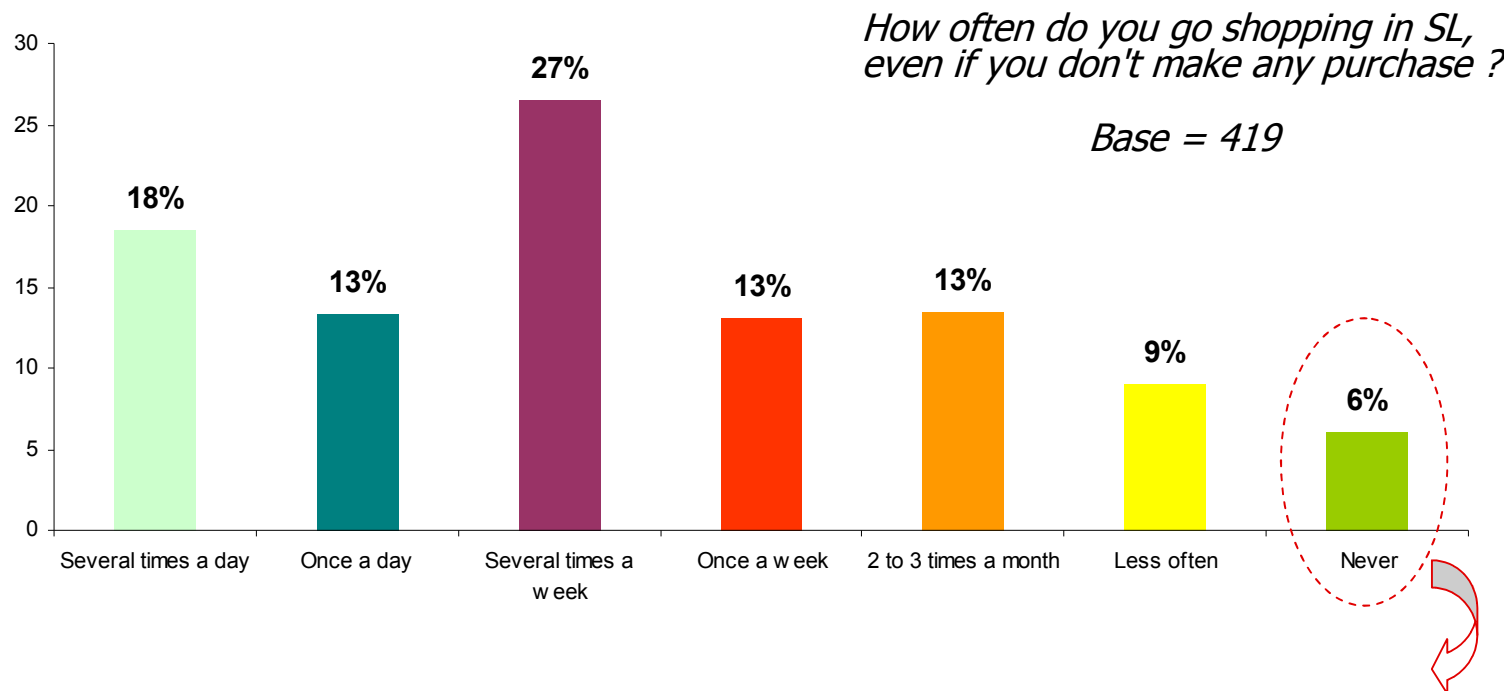
*.... Usages towards shopping in SL...*

## Not surprisingly, most popular categories of product are related to the avatar's customization:

*What type of products did you purchase in SL so far ?* Base = 359  
*Please tick all that you bought*



Shopping confirms itself as a popular activity in SL with 72% of residents surveyed that state to go shopping at least weekly; the frequency increasing with the level of SL proficiency (*53% of experts at least daily versus 19% for beginners*).

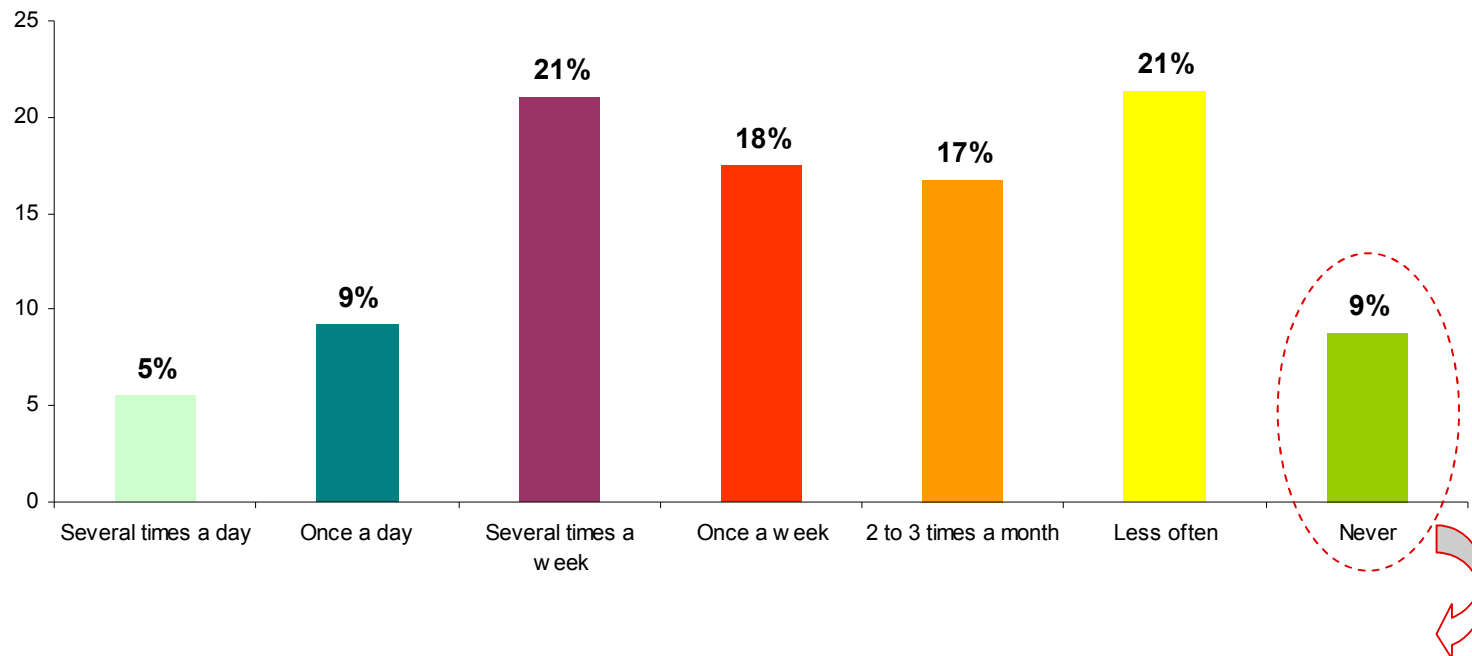


The 6% that state never shopping explain they either lack of money or have no interest for it; regarding this last group better products and more facilities would make them change their mind.

Over half of the residents surveyed make a purchase on a weekly basis (*logically Experts tend to buy significantly more often than Beginners : 38% daily versus 7% for beginners*).

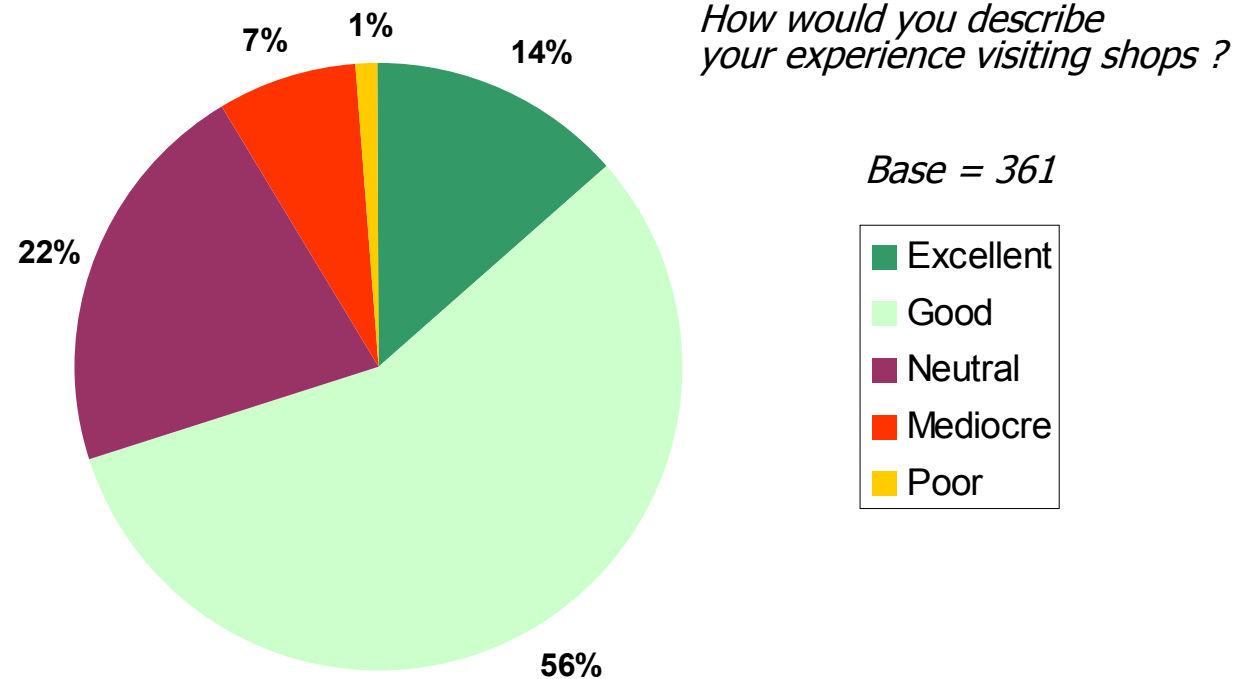
*And how often do you make a purchase on average ?*

*Base = 395*



Again lack of money (5%) and facilities (2%) are the 2 main restraints.

The residents surveyed claim to be satisfied with their experience visiting shops without raving about it, which suggests some unfulfilled expectations regardless of SL proficiency.



# *What misses to completely satisfy shoppers*

*(base of respondents = 109)*

## **Communication (18%)**

“Should offer more interaction with owner, sales person”

## **Lack of product’s information (18%)**

“Should offer better uses guides and clear product’s representation”

## **Facilities in the shop (15%)**

“Should have larger open spaces (*camera could zoom around*), be less laggy, offer better visual appeal, store display”

## **Cheaper prices (13%)**

“Should offer cheaper stuff, L\$ are ‘hard’ to make”

## **Lack of product’s diversity (12%)**

“Should offer less generic items more (*same stuff variety from store to store*)”

## **Low product’s quality (11%)**

“Should offer products of better designed, of better quality”

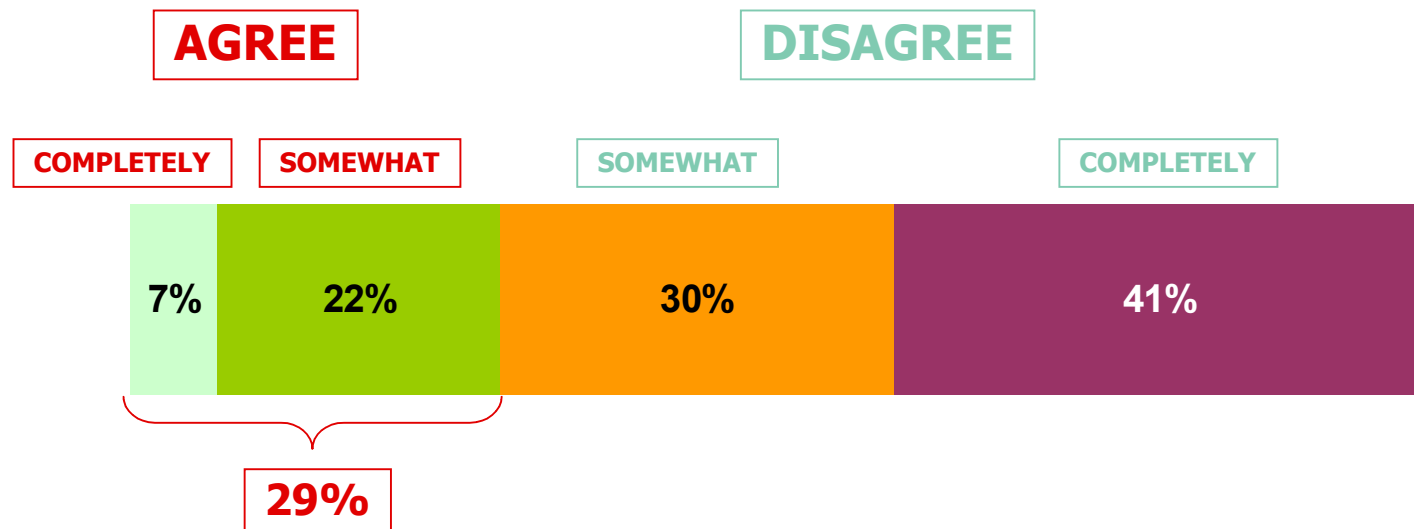
## **Difficulty to find shops (7%)**

“Should be easier to search for specific shops”

Moreover, one out of three residents surveyed – mainly beginners – report to experience difficulties while making purchases. This is in line with the overall shop's experience rating that already announced some down sides.

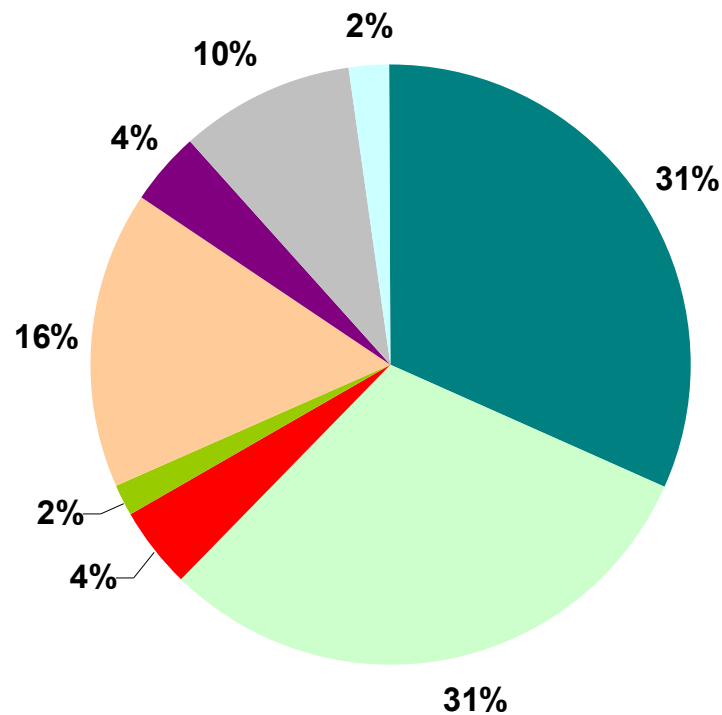
*I find it too complicated to make purchases :*

Base of respondents = 359





Residents surveyed pay equal attention to product selection and competitive prices; to a secondary extent, they are concerned about freebies and ease to locate the shop.



*What is your most important consideration when shopping in SL ?*

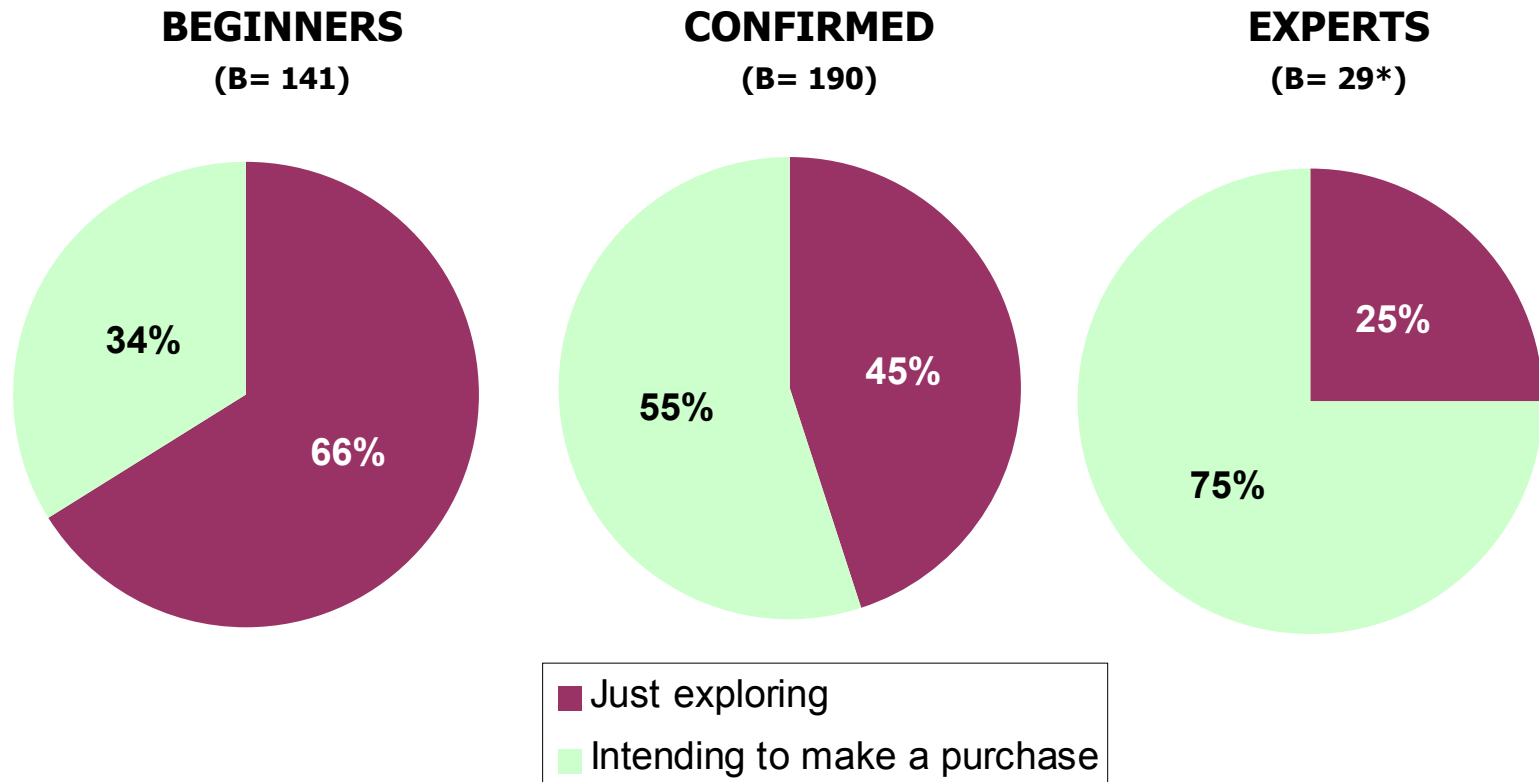
*Base = 361*



According to the SL proficiency, we can observe a shift of behaviors:

- ❑ Beginners rather being in an exploration stage,
- ❑ Experts rather having specific needs.

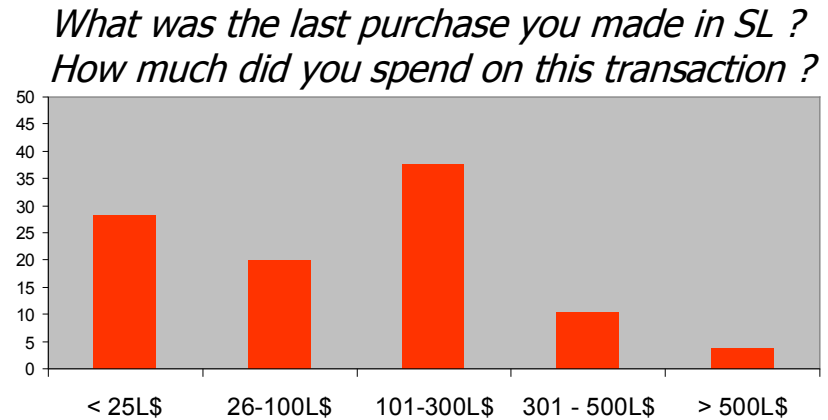
*When you began shopping on this occasion, were you :*



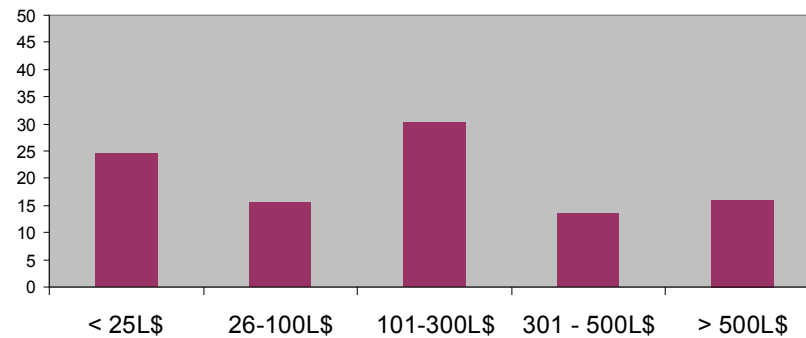
\* ! Low bases

The last purchase was mainly aimed at their avatar: clothes (44%), body parts (21%) or accessories (18%).

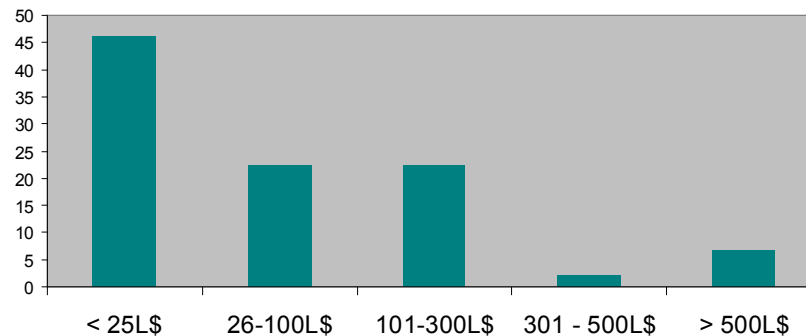
### Clothes (b=156)



### Body Parts (b=76)



### Accessories (b=66)



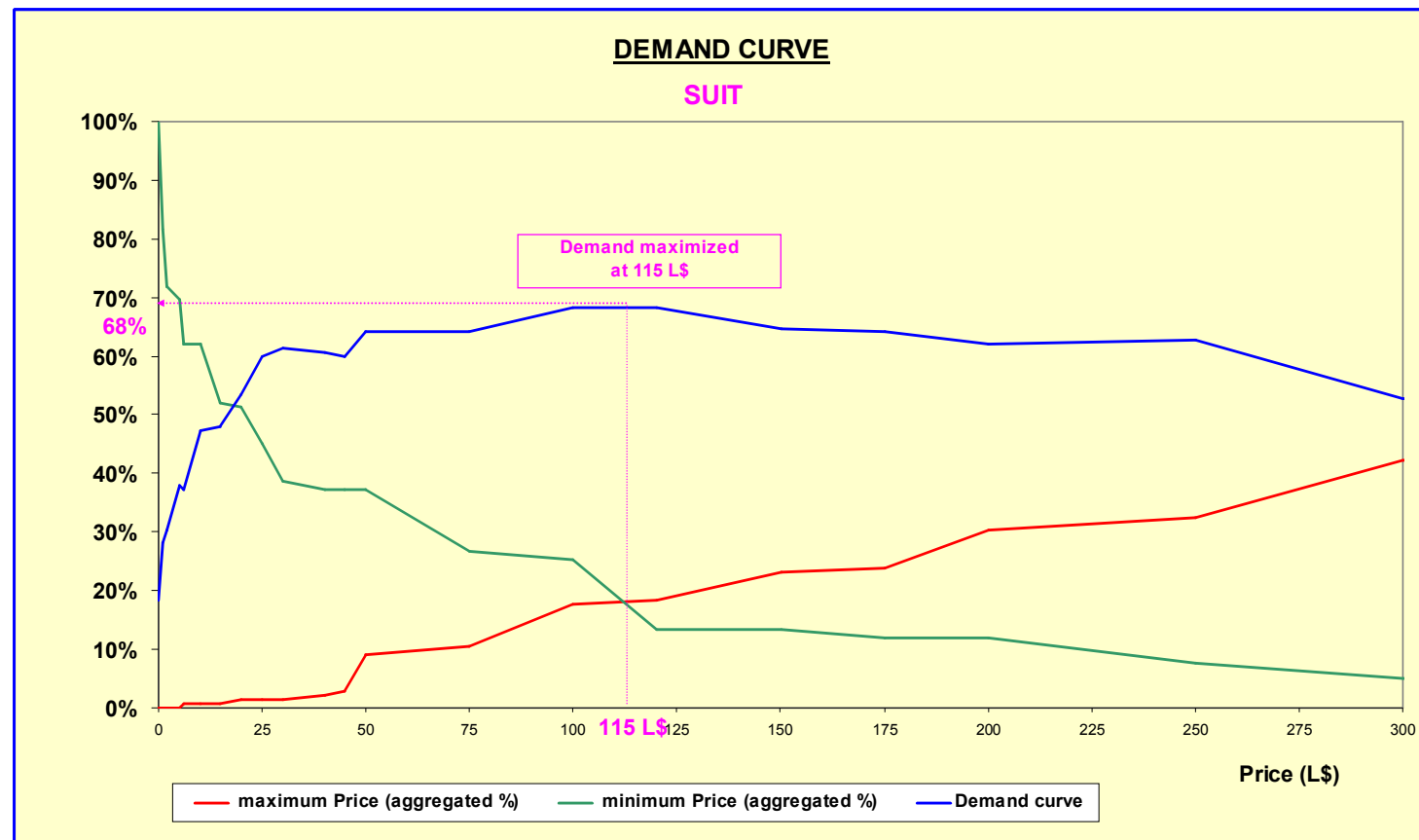
## Residents were then asked to evaluate the price of different products:

1. According to you, what is the **right price in L\$** for ... ?
2. At what price in L\$ , would you start to think, I'm definitely not buying this item because it's **too expensive** ?
3. At what price in L\$ , would you start to think, I'm not trusting the quality of this item because **it's too cheap** ?

## Psychological price for a SUIT (b=142)

Spontaneously, the residents surveyed evaluate the price of a suit at 287 L\$.

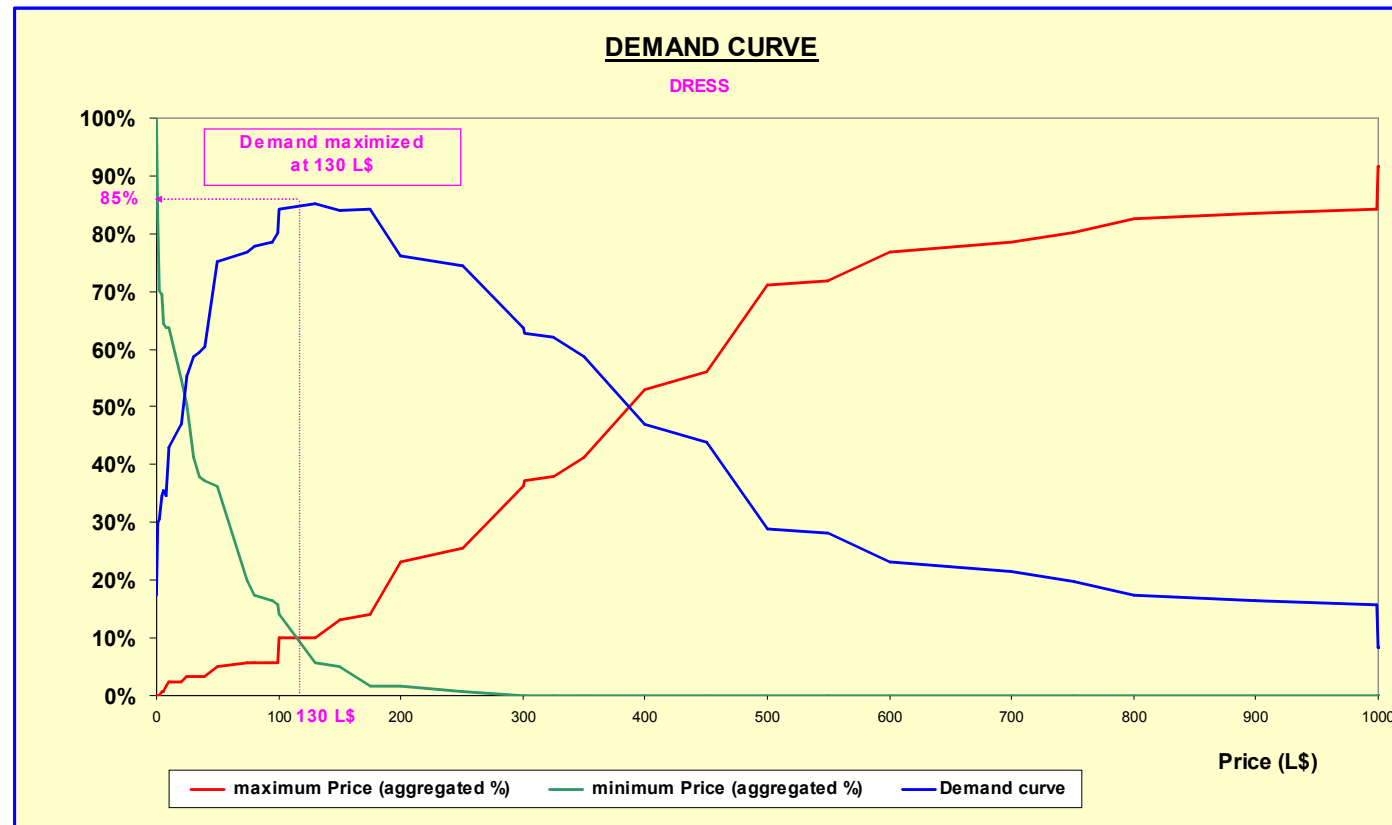
However, the price that maximizes the demand is 115 L\$.



## Psychological price for a DRESS (b=122)

Spontaneously, the residents surveyed evaluate the price of a dress at 178 L\$.

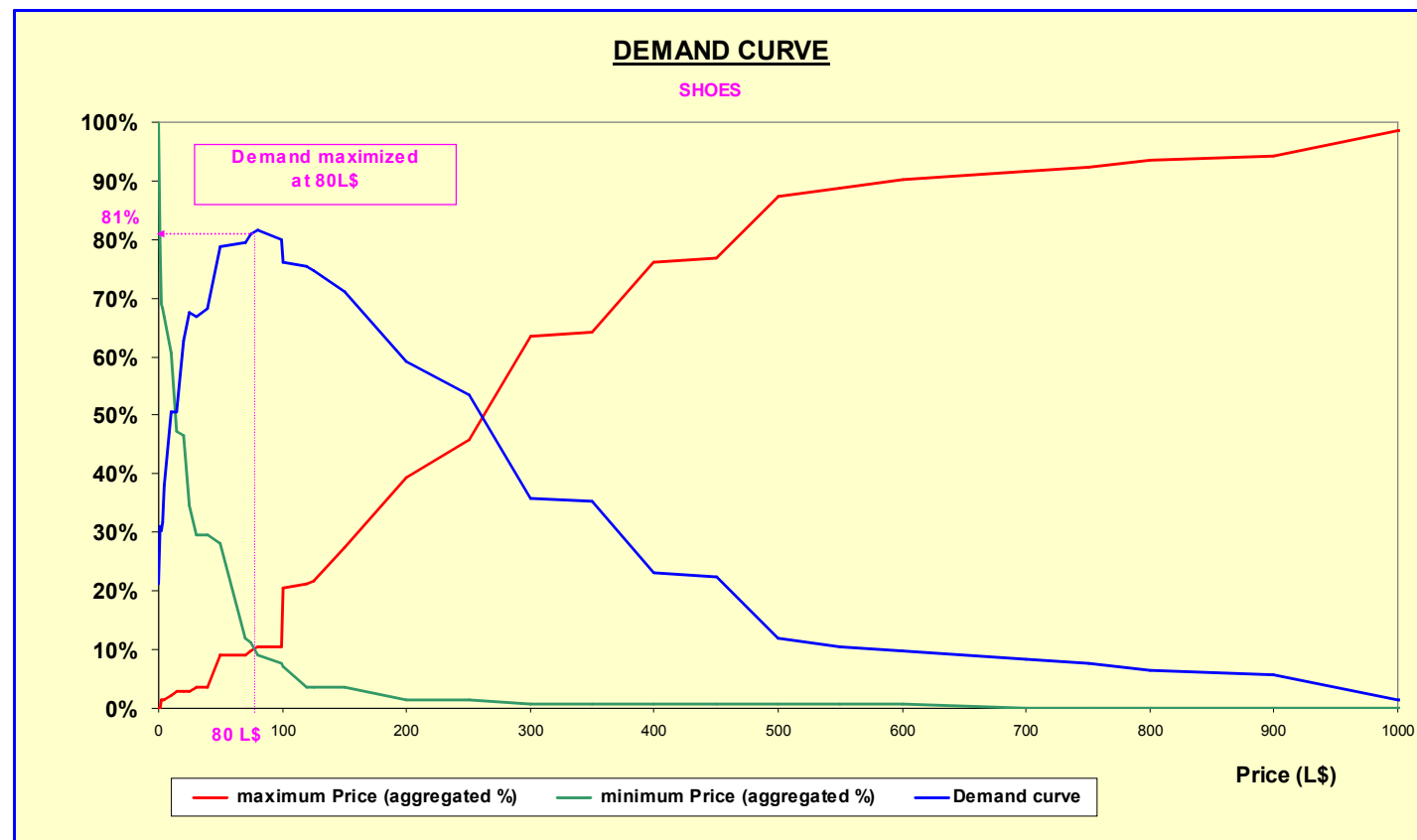
However, the price that maximizes the demand is 130L\$.



## Psychological price for SHOES (b=122)

Spontaneously, the residents surveyed evaluate the price of shoes at 152 L\$.

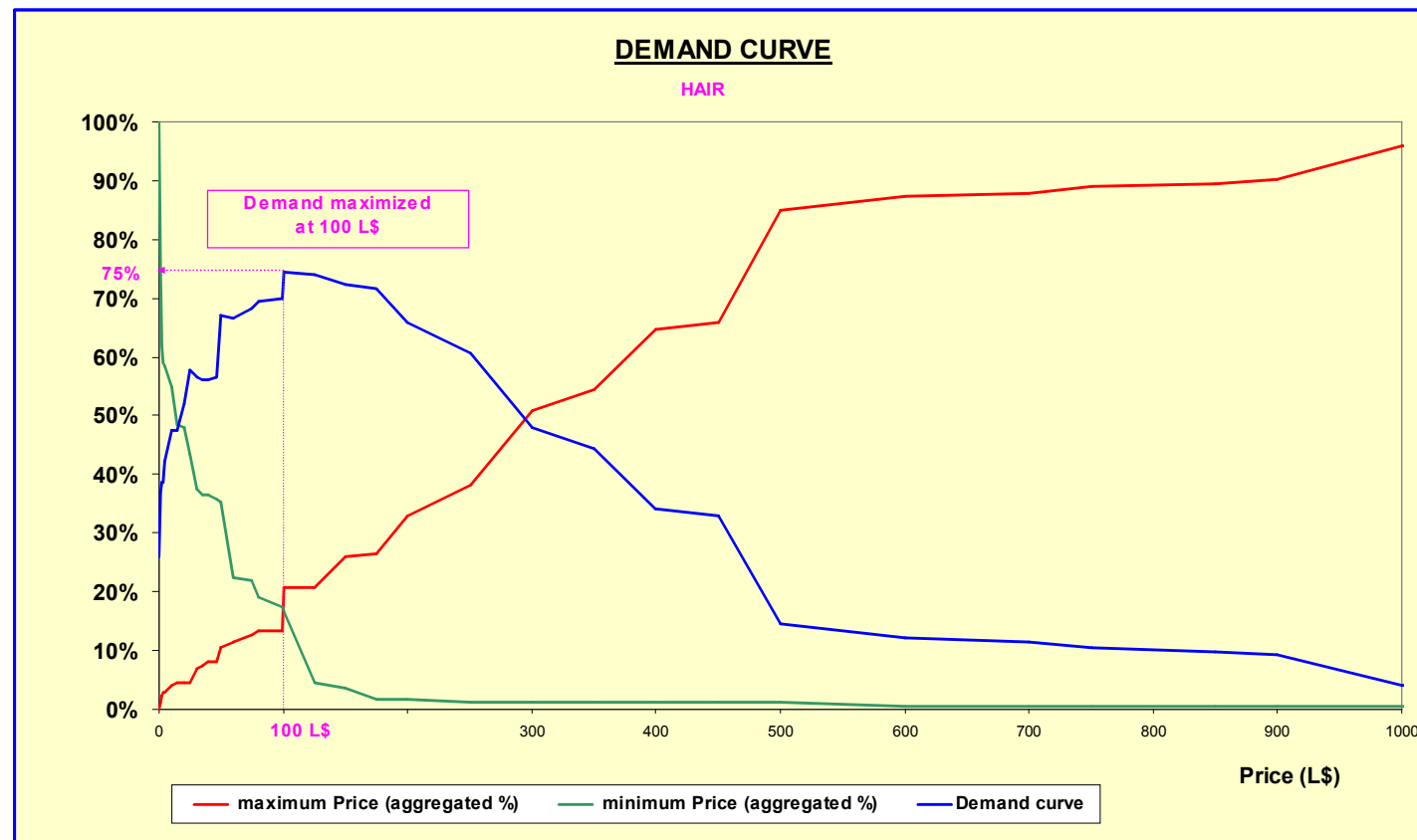
However, the price that maximizes the demand is 80L\$.



## Psychological price for HAIR (b=174)

Spontaneously, the residents surveyed evaluate the price of hair at 231 L\$.

However, the price that maximizes the demand is 100 L\$.



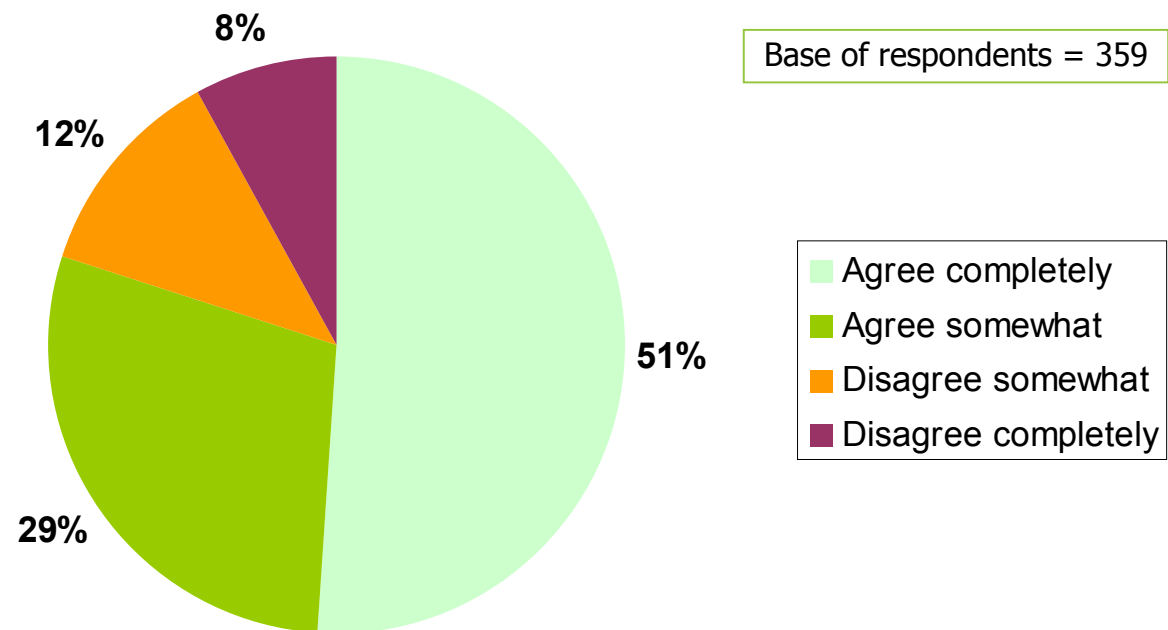


*Attitudes*

*Vectors of purchase :  
What are the elements that  
makes them go to a  
particular store ?*

Due to the SL size, the function *SEARCH* is naturally central in the process of buying, with beginners being still in an exploratory stage and less using this tool than experts (*36% of "agree completely" versus 69% of confirmed and experts*).

*I often use the function SEARCH to find new shops or to locate them :*

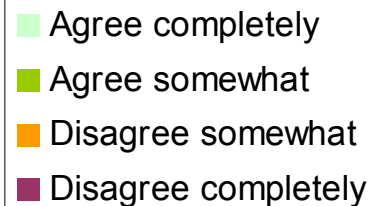
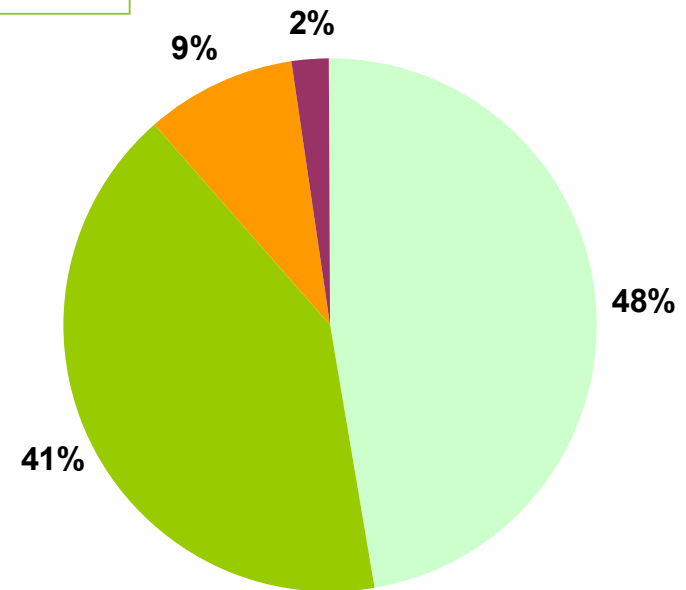
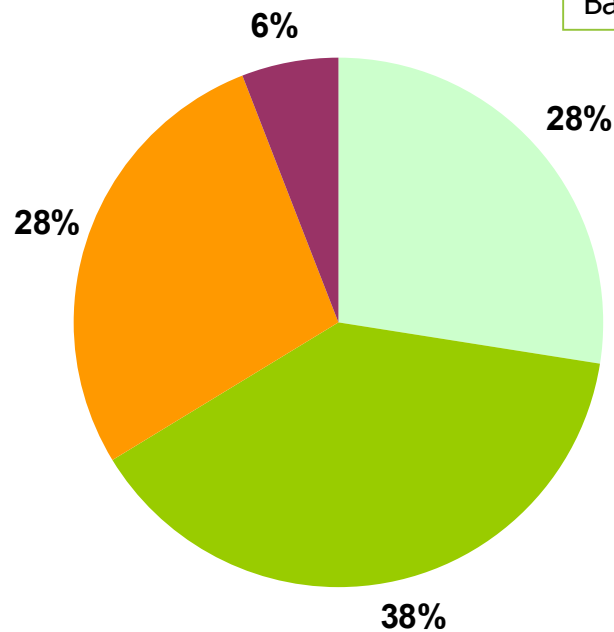


**Buying patterns are very consistent across proficiency groups: even if they are often driven by *the opportunity to make a purchase*, word of mouth is logically a powerful vector in such a social world.**

*I often buy on impulse :*

*I rely on word of mouth to make purchases*

Base of respondents = 359

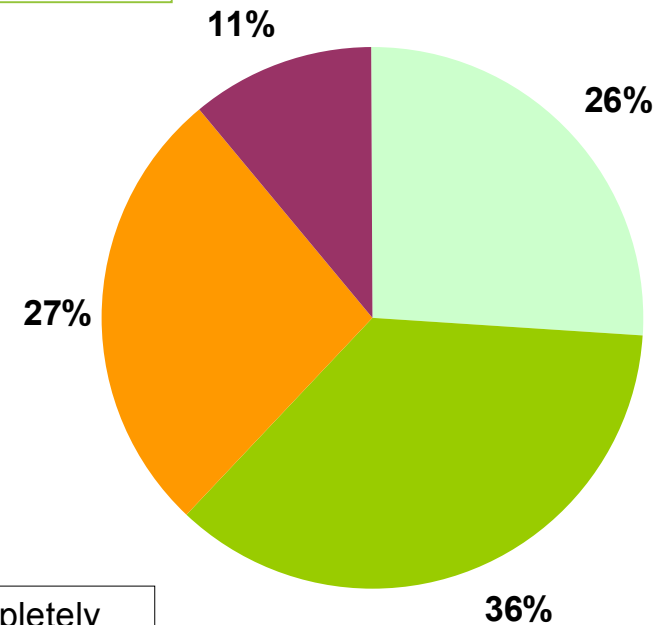
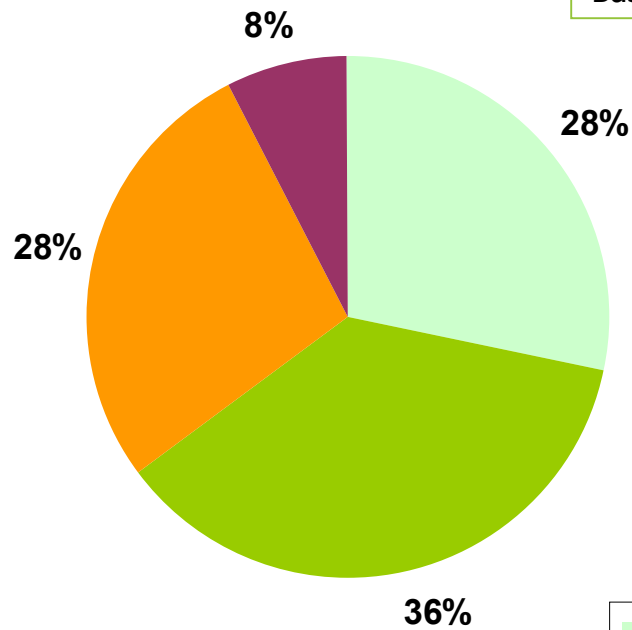


**In the same way, 1 out of 4 pay attention to promotions and competitive prices, regardless of SL proficiency.**

*I always search for the lowest price in just about everything I buy :*

*I look for promotions on « Search - events » :*

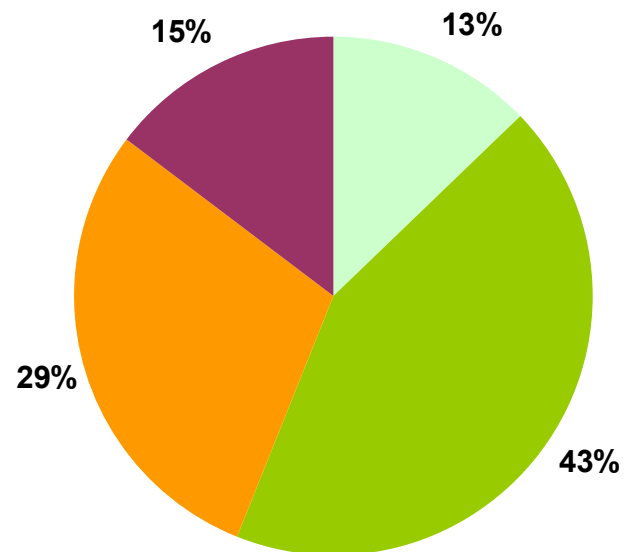
Base of respondents = 359



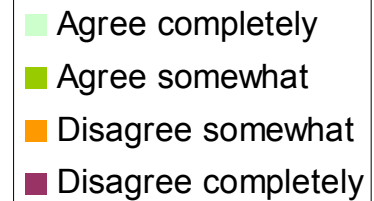
Agree completely  
Agree somewhat  
Disagree somewhat  
Disagree completely

**On the other way, only a minority states to get a strong impulse to buy from advertising boards.**

*I am influenced by advertising boards ;*

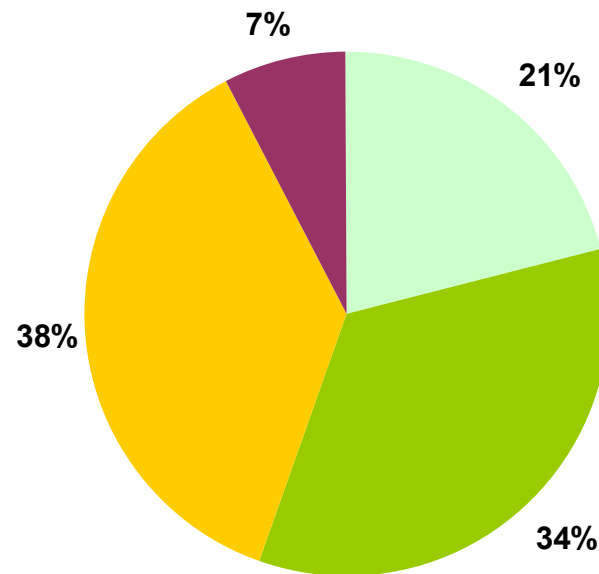


Base of respondents = 359

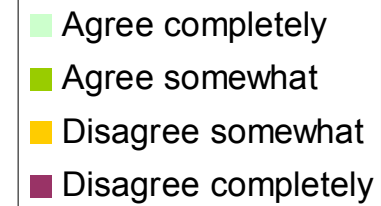


**It appears to be a market for both malls and single shops as residents surveyed show equal support for them.**

*I prefer malls to single shops :*

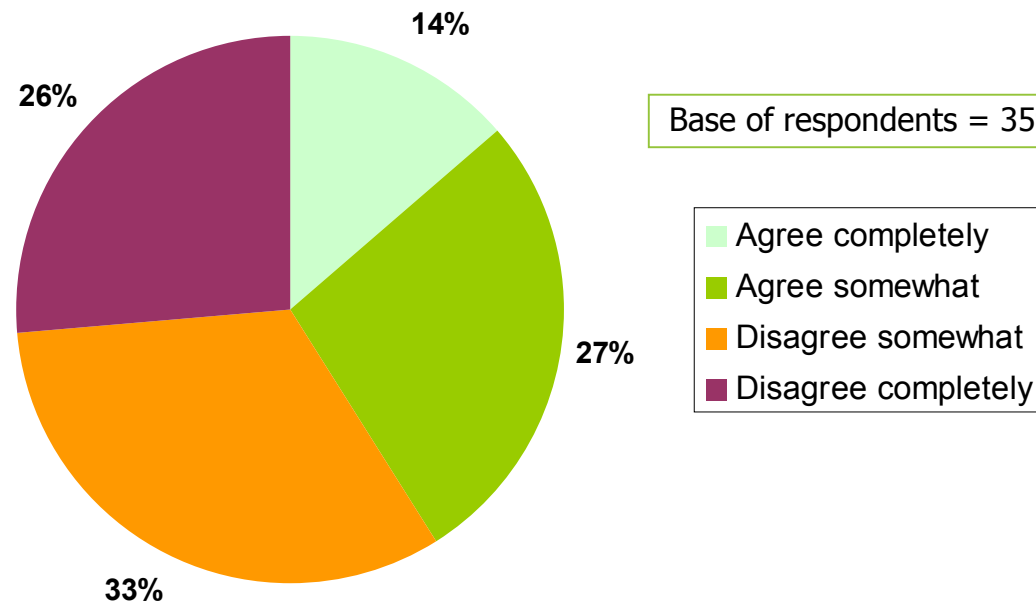


Base of respondents = 359



RL brands don't manage to raise as much interest as SL ones amongst residents, with a mere 14% according more importance to RL brands than SL ones. This tendency is confirmed through the spontaneous comments: being asked to list their 3 favorite brands, residents surveyed quoted SL brands at 99.9%.

*I am more interested in RL brands :*



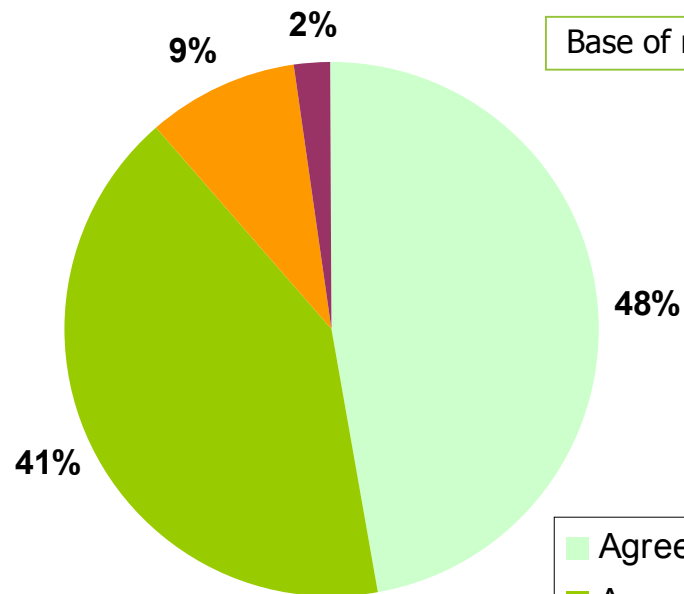


*Shop's experience :  
What are residents's  
requirements regarding the  
premises and the products ?*

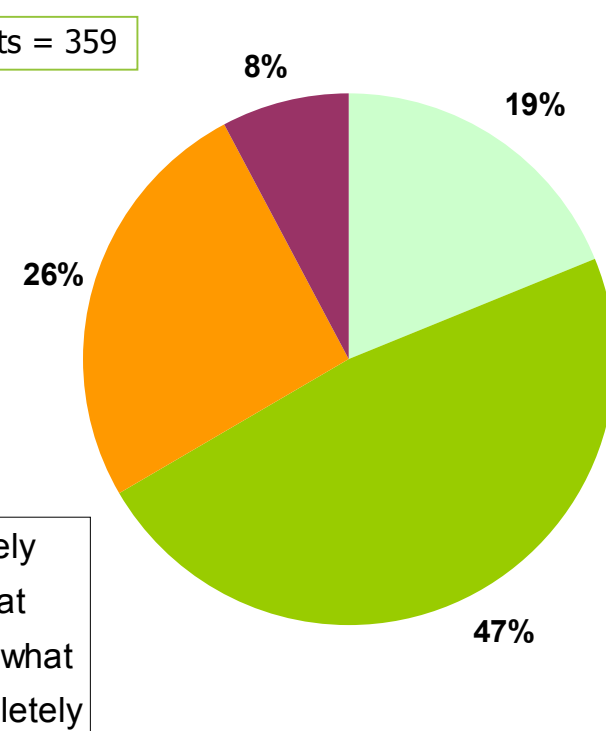
Residents surveyed appreciate to be on their own : it might be put into relation with the main categories of products bought. They are related to the avatar therefore to the privacy, intimacy of the person.

On the other hand, they overall appreciate to get help from the seller.

*I like shopping on my own :*



*I like getting advices from the seller :*



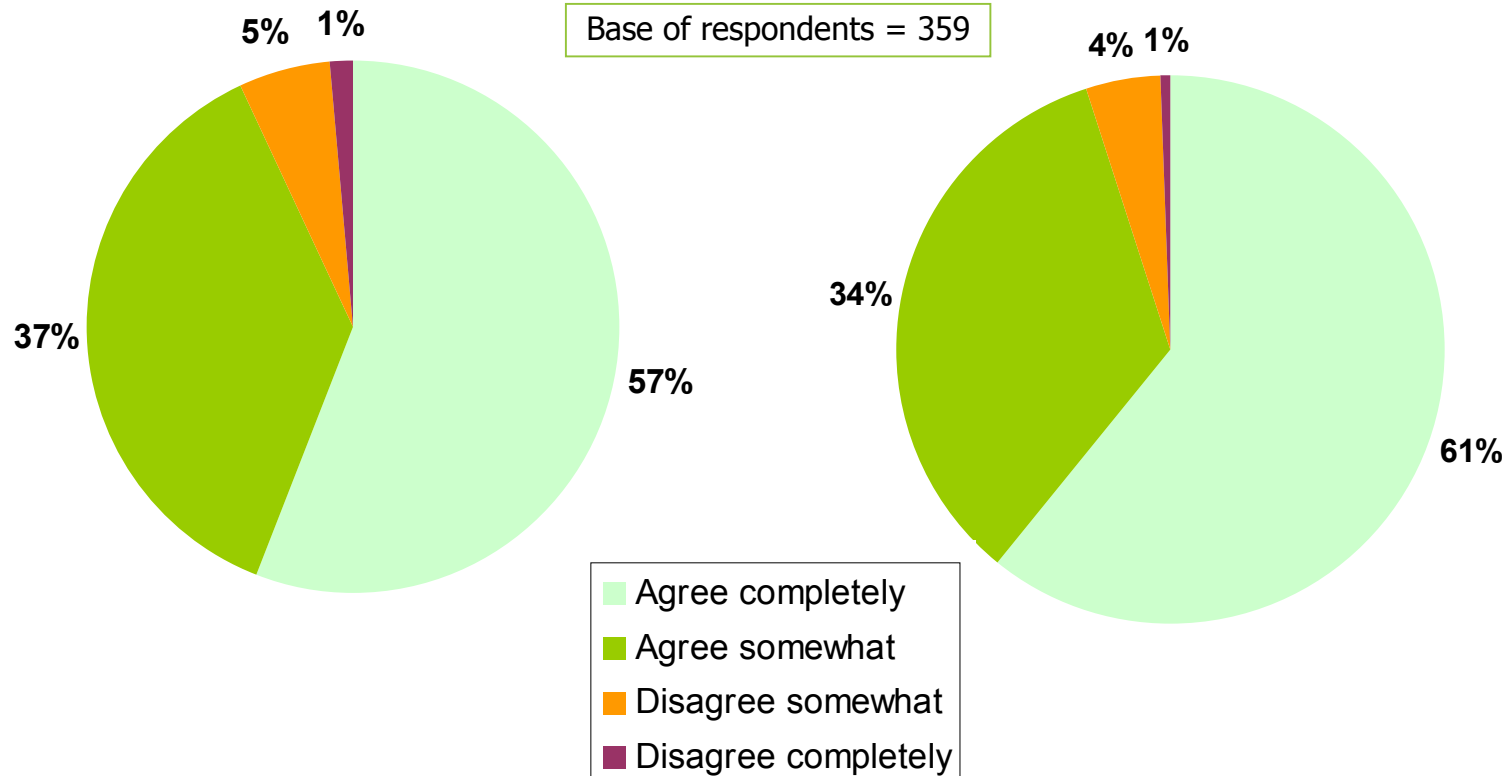
Base of respondents = 359

Agree completely  
Agree somewhat  
Disagree somewhat  
Disagree completely

A majority of residents surveyed state they are likely to check back a shop if they're satisfied of their 1st purchase. Logically, they grant shop's regular reassortment.

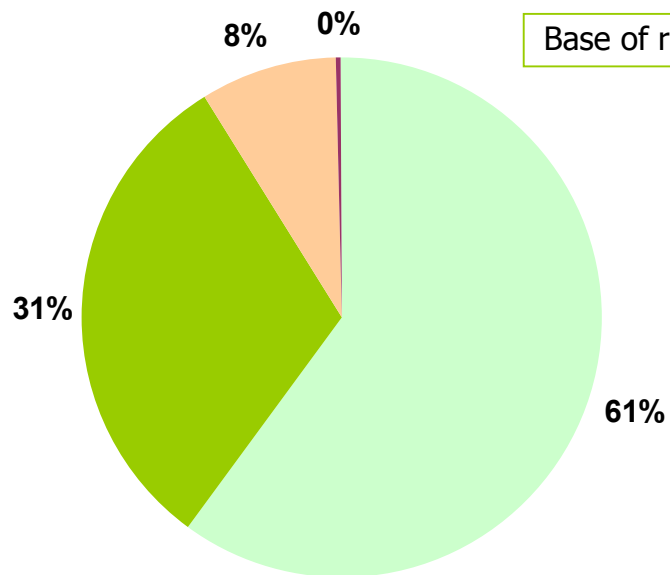
*I often return to the same shop if I'm satisfied of the 1<sup>st</sup> purchase I made in :*

*I like shops that offer new products on a regular basis :*



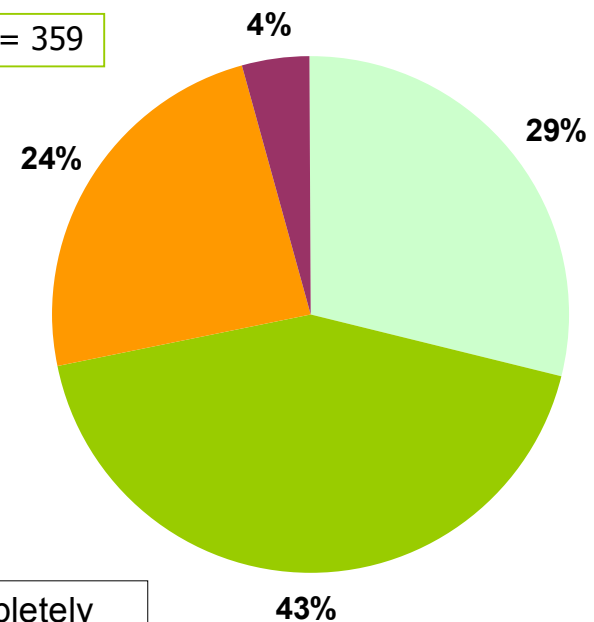
In the same way, the 3 subsamples express convergent reactions in their expectations of shop's display: they like having a large choice :

*I like shops with a large range of products :*



Base of respondents = 359

*I prefer shops with a range of products which is limited but top selected :*

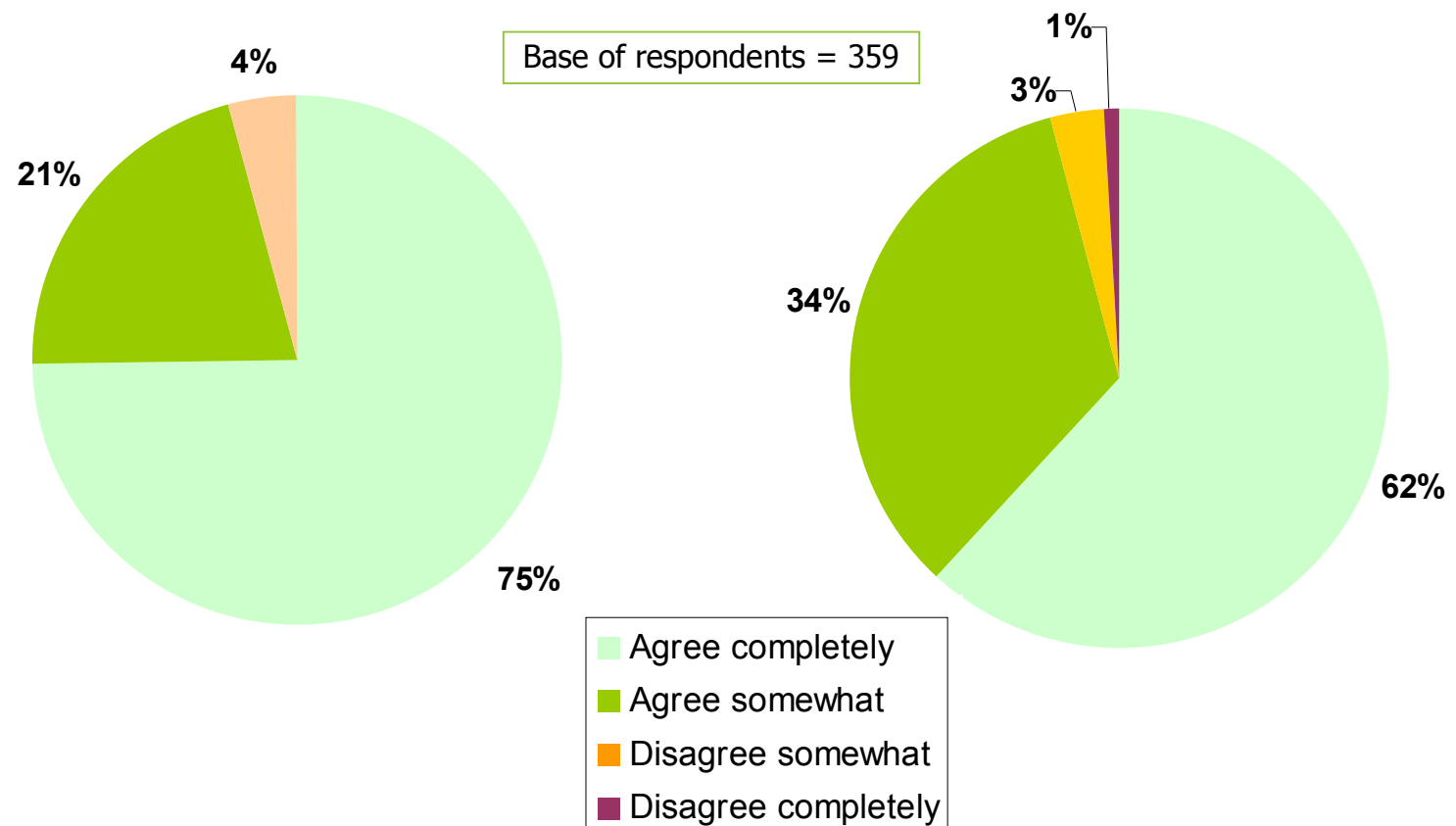


Agree completely  
Agree somewhat  
Disagree somewhat  
Disagree completely

Regarding their attitudes, residents surveyed tend to prefer original products; with experts being the most sensitive to this criterion (93% of « agree completely » vs 69% for beginners). In the same time, they rather opt for lifelike representations of the products.

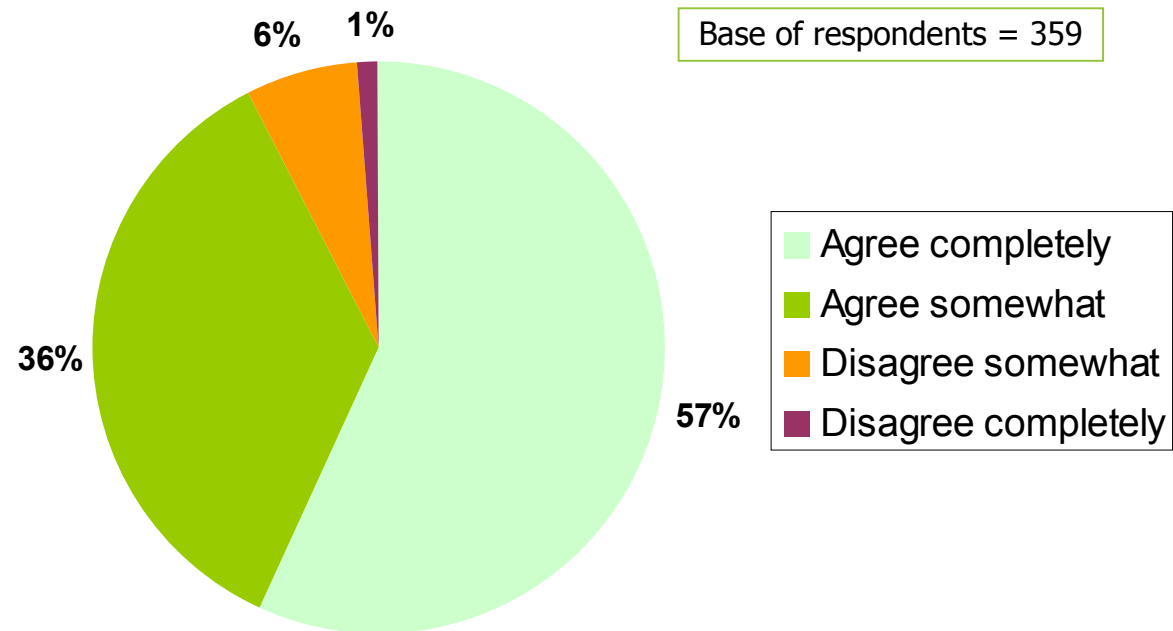
*I like products that are original, creative :*

*I like lifelike representation of the products :*



## Regardless of their SL proficiency, pretty every residents surveyed value the possibility to customize products:

*I like fully customizable products :*



*Conclusion...*

**Shopping stands out as a very popular activity. At this stage, there is no saturation effect. On the contrary: the more engaged you are in SL, the more you do shopping. It might be related to a willing of always perfecting the appearance of the avatar but also to the absence of story in Second Life. Shopping is so varied and always evolving that it becomes a goal in itself.**

**Moreover, they are ready to spend money to customize their avatar or even for 25% of them to create their own personal space.**



**In this context, they favour products that are :**

- **customizable** (*in line with freedom offered by SL*),
- **lifelike,**
- **creative.**

**So far, shopping tend to be a solitary activity but residents surveyed pay attention to others recommendation and appreciate to talk to the seller in a shop.**

**By the way, they turn out to be quite loyal to shops they're satisfied with.**

**On the other hand, findings also show that shopping experience is optimizable and underscore the needs for businesses :**

- **to have more presence (*sellers, owner...*),**
- **to be more accessible for beginners, in terms of facilities within the store and to a certain extent of ease to locate it,**
- **to let residents express their creativity by offering the possibility to customize products,**
- **to focus on product's originality and diversity...**