Metaverse(s)

HTE Infokom 2022

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Traditional virtual worlds

- The basic idea:
  - Persistent space built in a computer software
  - You are represented by your "avatar" (digital self)
  - You can move around and
  - Interact with virtual objects and other avatars

- Origins:
  - MMORPG-s (morpegs): massively multi-player online role-playing games
    - World of Warcraft
    - Grand Theft Auto
    - ...
  - Have been around for decades
  - Defined environment
  - Defined goal

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Defined universes

Fortnite: a revolution in the gaming universe?

Paradigm shift: 'Making not slaying'

- New concept: virtual worlds entirely generated by users

- Example: Second Life
  - Owner: Linden Labs
  - Founded by Philip Rosedale after 'Snowcrash'
  - Launched in 2003
  - Explosive growth in summer 2006
  - Stalled since 2008
  - Today: ~1 million active users (50-80k any time)

- No defined goal and environment:
  - people can build and do anything
  - own their virtual assets (can trade)

- SL is remarkable because it incorporates **all** interactive features of existing Internet platforms (social networks, games, streaming, voice, chat, etc.)
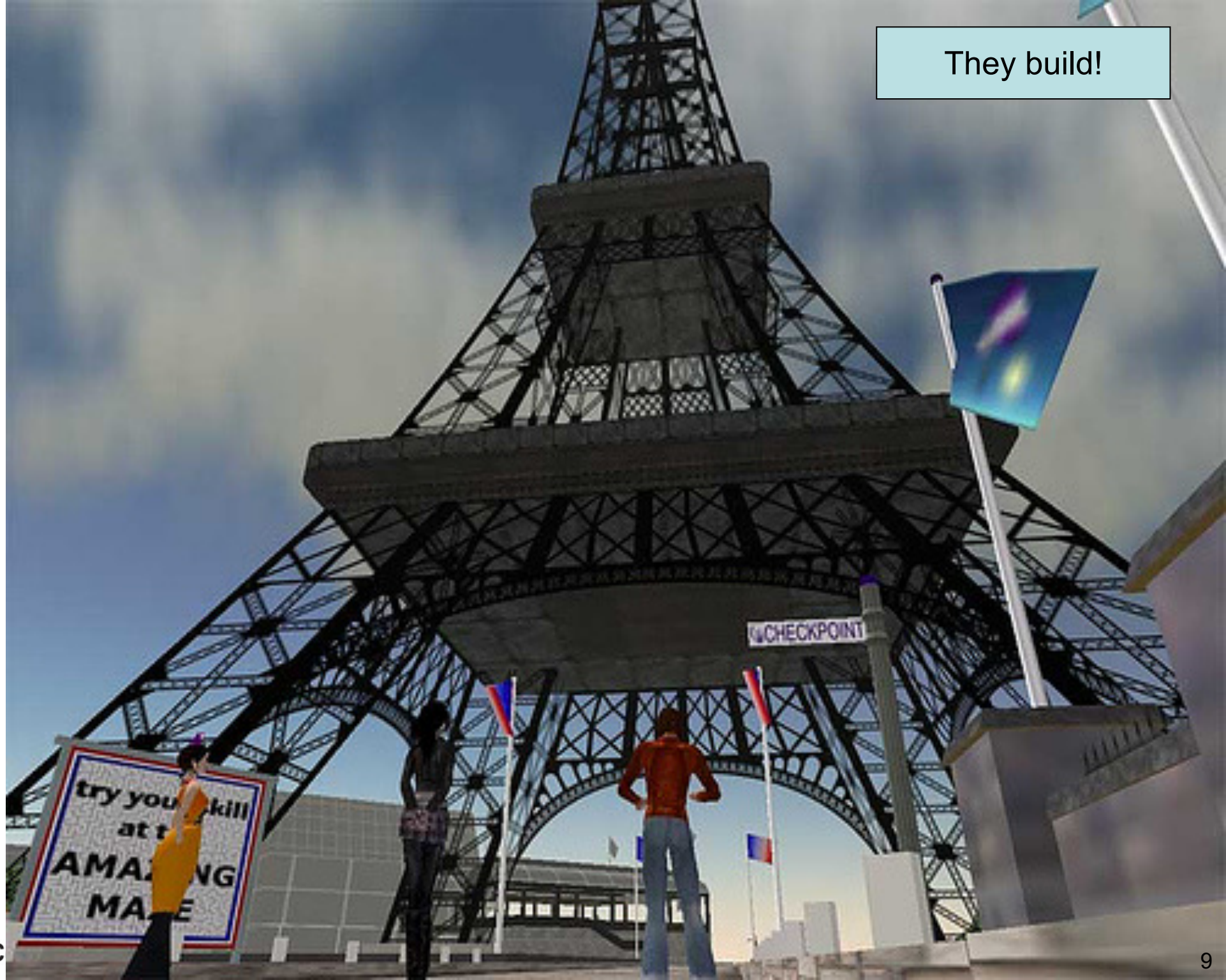
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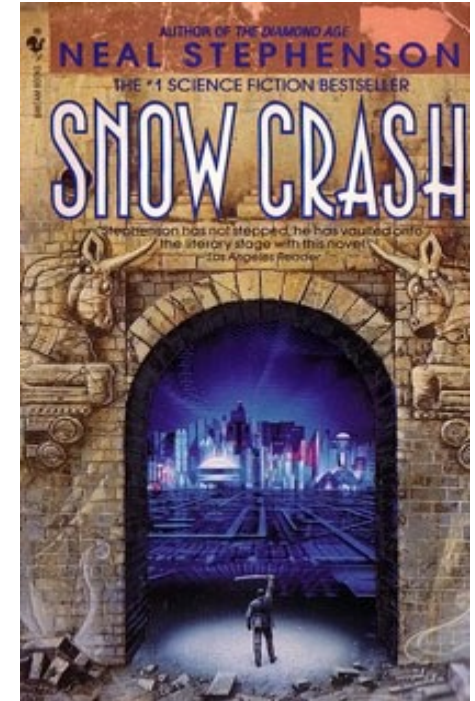
Go to parties!

They socialize with stars like Susan Vega and Bob Dylan playing live

They shop

8

They build!

They go to church!

And may get married!

They also need a home!

There are cities!

They do everything…and more

- Culture – museums, cinemas, theaters, concerts..
- Sports - races, adventures
- Entertainment: film festivals, reality shows
- Nightlife – gambling, sex, parties…
- Shopping, shopping, shopping….
- Work – top incomes are ~$200k
- Business - thousands of profitable businesses
- Crime – gunshots, retail fraud, terrorism
- Politics – democracy, independence movements
- Currency, real estate, stock markets
- …..

Exhibit 1: Second Life – One of the Most Immersive Experiences Online

| Rank	Game	Publisher	Avg. Min Per Week	TMP%
1	Second Life	Linden Lab	760	3.2
2	Civilization IV: Beyond the Sword	2K Games	668	2.7
3	World of Warcraft	Blizzard Entertainment	653	46.7
4	Dark Messiah of Might & Magic	Ubisoft	582	3.0
5	StarCraft	Blizzard Entertainment	334	1.7
6	Civilization IV	2K Games	332	2.1
7	Half-Life 2	Vivendi Games	313	2.2
8	Warcraft III: Reign of Chaos	Blizzard Entertainment	213	1.7
9	Bookworm	PopCap Games	169	2.3
10	Chessmaster Challenge	PlayFirst	54	1.7

Source: Nielsen Games – GamePlay Metrics. Note: TMP% = Percent of total minutes played from the Top 100 non-casual/ pre-installed PC games measured. Data as of March 2009.

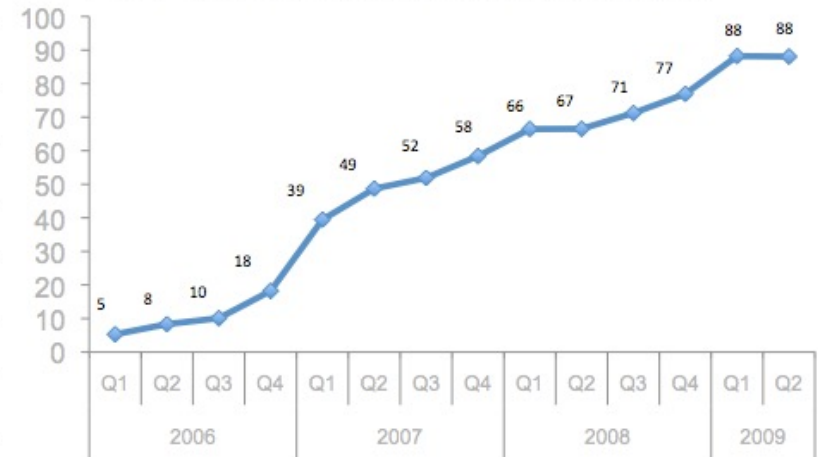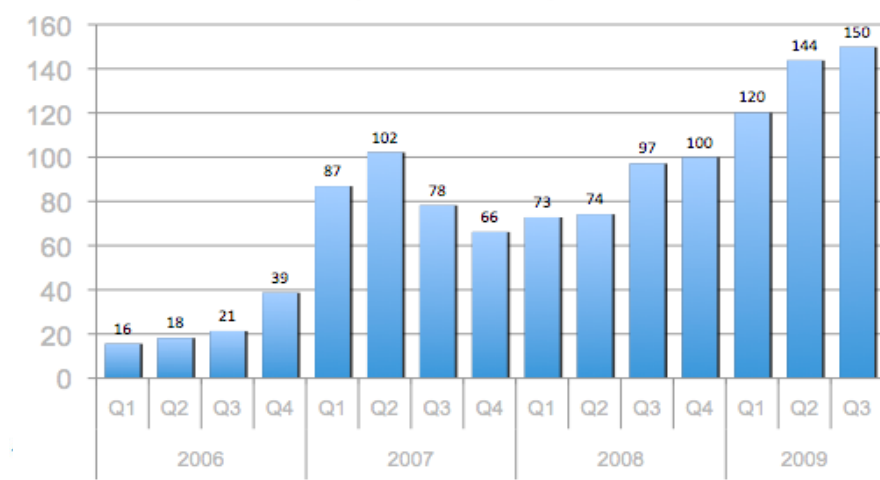Columbia Business School

Endless creativity…
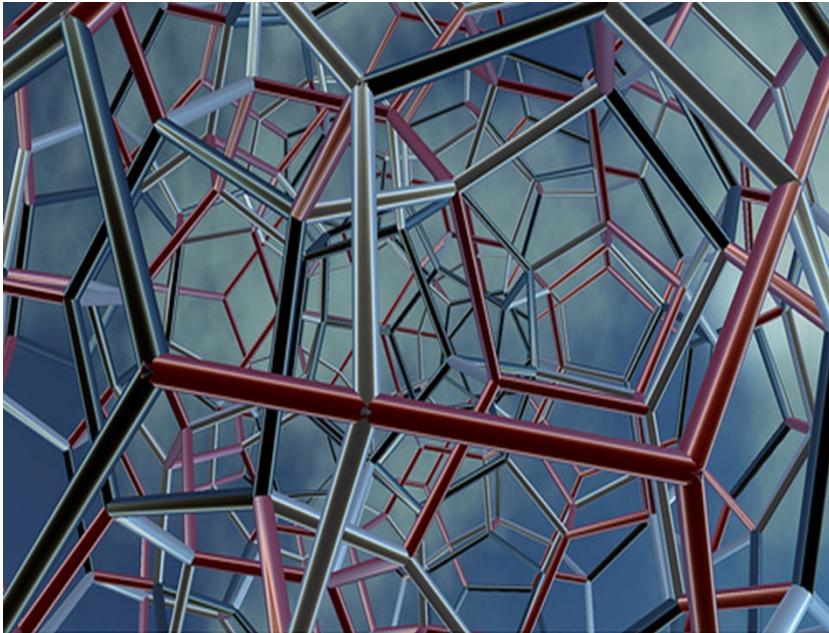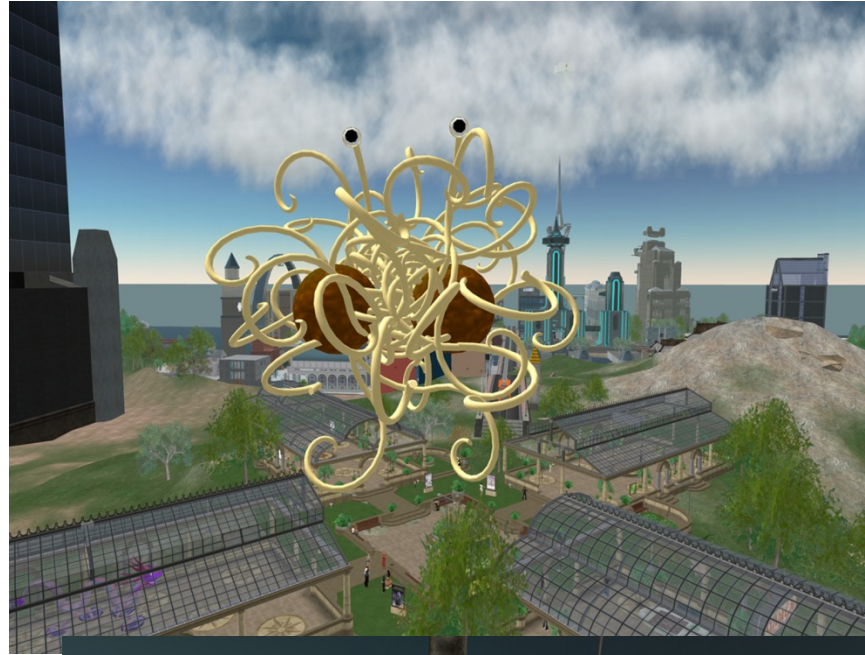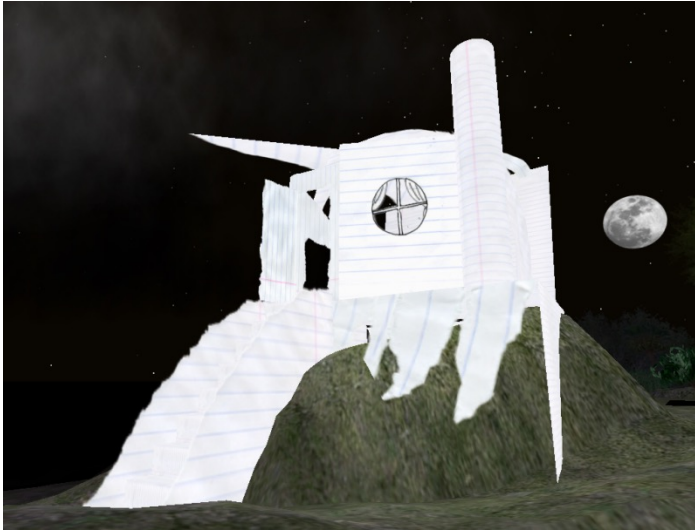
Growth

Monthly Unique Users with Repeat Logins (Thousands)
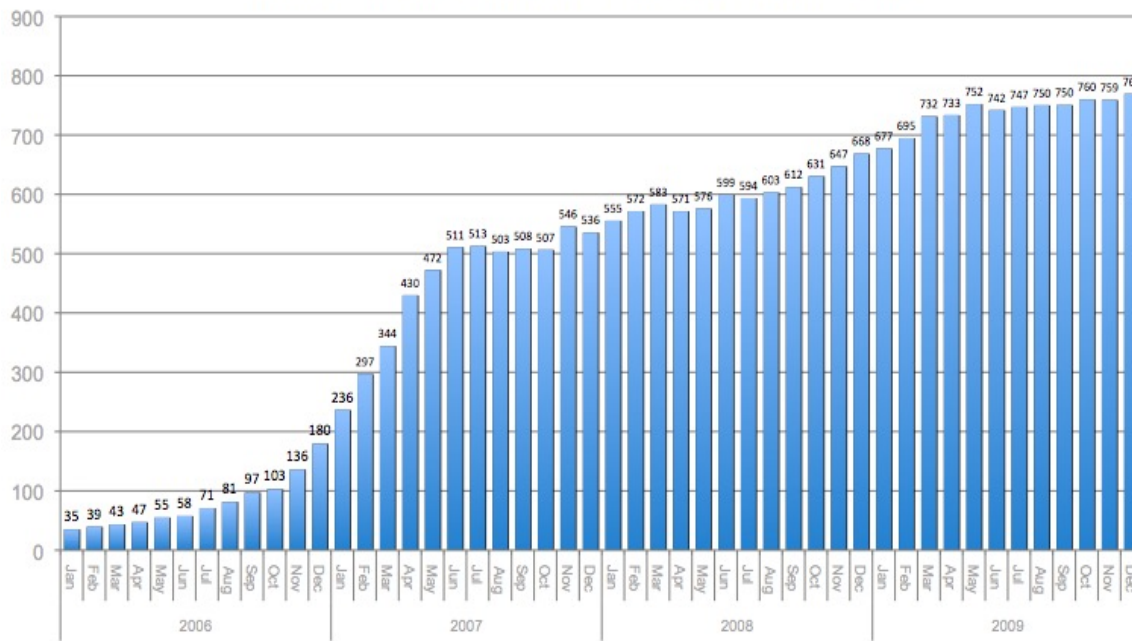
Peak Concurrent Users in the Quarter (Thousands)

Value of Total User-to-User Transactions (Millions of $US)


Anshe Chung
Land Baroness

Major organizations join…

- Starwood Hotels – showrooms/reservations
- Toyota, Nissan – sell virtual cars
- American Apparel – setup a virtual store for clothes
- U2, Duran Duran, Susan Vega - concerts
- IBM – business solutions (owns >15 islands)
- Intel – tech conferences, product information
- Reuters – permanent correspondent
- Sweden, Estonia have an embassy
- Presidential candidates' headquarters (Mark Warner, Sarkozy, Royale)
- US congress – investigates taxable income earned
- FBI investigates illegal gambling
- …

E-commerce
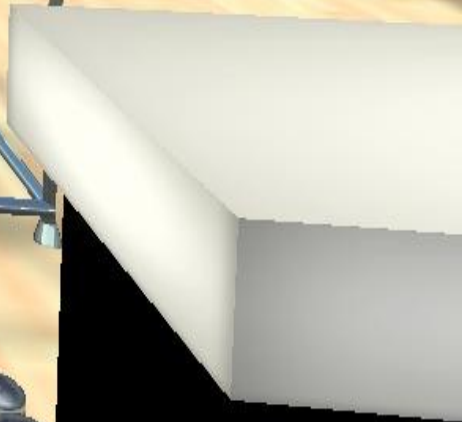
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California Fleece Track Pant
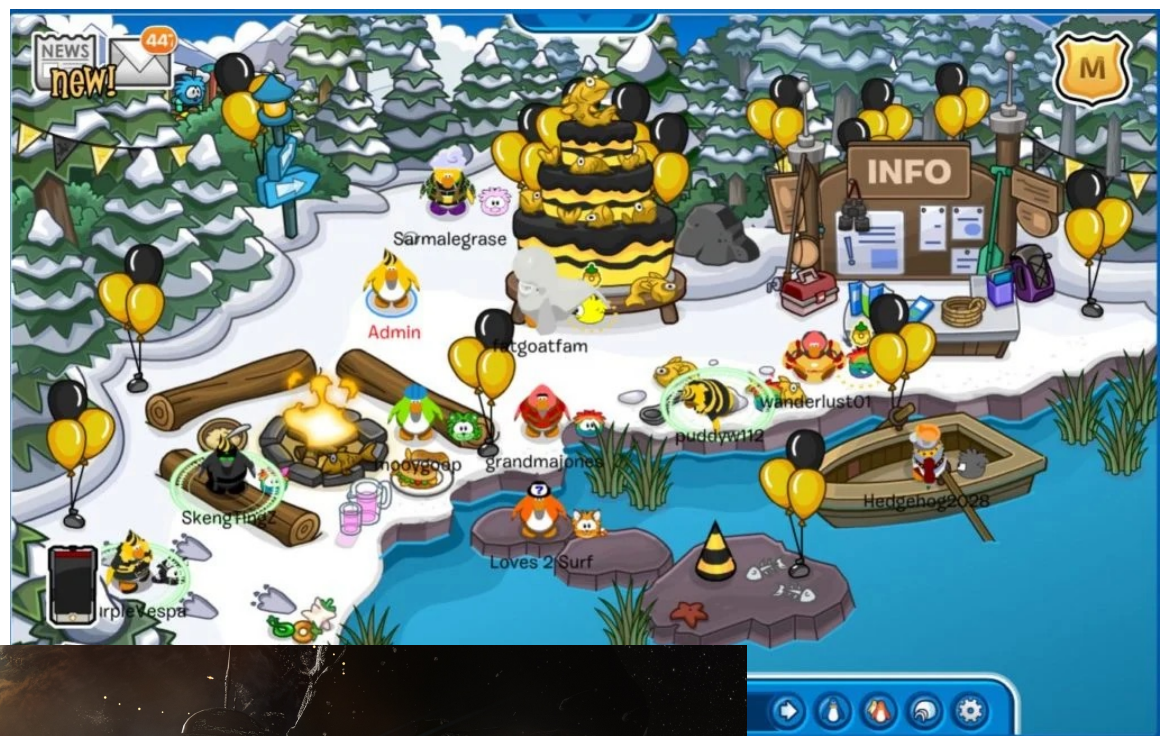
6364
Sheer Jersey Chemise

Other (old) metaverses

- Club Pinguin (Disney)
- Eve Online
- …..

Question: Is the metaverse the ultimate media platform?

Harvard Business Review
February, 2008

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Backlash

- Fraud
  - Illegal gambling and casinos
  - Phony banks and Ponzi schemes
  - Real (virtual) estate bubble

- Scandals
  - Huge sex industry (18% of real estate)
  - Violent political clashes
  - 'Terrorism' and cyber vandalism

- Bad media coverage
  - "There is nothing to do […], except […] try to get laid" (*Forbes*)
  - *Time* includes SL in its "5 worst websites" list.
  - *Wired* magazine: "How Madison Avenue Is Wasting Millions on a Deserted Second Life"

…and corporations leave…

American Apparel closed

Lively: Google's failed virtual world

What happened?

- ## Was it just too early?
  - Technology is not ready
  - No portable/mobile interface
  - Bandwidth and latency issues

- ## Was it badly managed?
  - Lack of quality control and certification
  - Lack of search capability(ies)
  - Lack of identity and accountability…
  - …and, therefore, <u>lack of trust</u>?

- ## Is it a fundamentally flawed as a "MASS" medium?
  - Too virtual/free/immersive…
  - Platform rivalry….
  - Lack of foreseeable government coordination

Is this changing with
- better tech/AI/sw?
- No cross-platform availability?
- VR?

Is this changing with
- Meta?
- Fortnite?
- blockchain?

Philip Rosedale (2022): https://www.wsj.com/video/remember-second-life-its-now-taking-on-big-techs-metaverse/861F66EF-F3B0-47E4-B635-8FACCA2A648F.html

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Decentraland?

Decentraland

Meta's metaverse

The "new" metaverse ecosystem: $ billions of investment