Nonprofits and Second Life:

Promoting Causes Inside Second Life – For Real-World Impact

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Promoting Causes Second Life for Real-World Impact

By Sandra W. Bettger (Anika Pastorelli)

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Abstract

Nonprofits across the globe have successfully established a virtual community in Second Life (SL) via Nonprofit Commons (NPC), a two-island community managed by TechSoup and populated with almost 80 nonprofits. While NPC is but one of 11 identified "nodes" or centers of nonprofits operating in SL, it is the largest and most prominent in SL, so it is the focus of this study. A recurring concern of nonprofit boards, members and other stakeholders is to determine the benefit of participating in a virtual community environment and the ultimate impact of that participation on their real-world missions and causes. Based on interviews with NPC nonprofit representatives, this study examines the benefits and impact of operating in just such a virtual nonprofit community. The findings are that benefits exist for nonprofits, and that the impact of participation spans more than 10 areas of relevance to nonprofit real-world missions. The results include quantitative data that ranks the relative value of different impact areas on real-life missions and that captures fundraising achievements to date as well as qualitative outcomes and anecdotal examples of impact. The author takes one step beyond the study findings and explores the challenges and future opportunities for nonprofits in SL positioning themselves with respect to technological trends and their new audience (the younger "digital" generations), cost savings and environmental benefits. These research results and future considerations provide a strong rationale for the participation of nonprofits in a virtual community.

About the Author:

Sandra Bettger is the Executive Director of the Giving Circles Network (GCN), a 501c3 established to help enable Giving Circles (a new grassroots form of shared giving) to help them network, leverage resources and enhance their giving impact.

About the Participants:

The author expresses special appreciation to the 12 NPC nonprofits that participated in this study. For a complete listing, see **Appendix A**.

About the Reviewers:

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I.   Executive Summary

Nonprofits promote their cause, organization and "brand" in a variety of modes in order to inspire donors to contribute their time, expertise and financial resources in support of their causes. These modes have expanded beyond traditional forms of direct mass mail, charitable functions and telethons to include Web-based newsletters, Webinars, Internet donations, and even online social networking sites. Technological progress has further enabled the creation of "virtual worlds" through which new forms of engagement enable nonprofits to reach new and existing donors, supporters and beneficiaries.

> "*The purpose of this study is to examine the experience of nonprofits in Nonprofit Commons because it is the largest and most prominent of all such centers in Second Life...to capture the benefits...and impact that a virtual presence has on their real-world mission.*"

Wikipedia cites 15 virtual worlds,[1] including Second Life, the largest and most prominent virtual world in the U.S. By defining this engagement we can better understand the value of a virtual world for a nonprofit seeking to promote and impact its cause. According to Wikipedia, a "virtual world" is not a "game" but rather a "computer-based simulated environment intended for its users to inhabit and interact via avatars...as well as to manipulate elements of a modeled world…" enabling them to achieve a certain degree of "telepresence."[2] Such worlds "…simulate rules based on the real world" such as "…gravity, topography, locomotion, real-time actions, and communication."[3] For this reason a person in a virtual world (through his or her avatar) can communicate in multiple ways, buy and sell goods, donate funds, volunteer time, own land, build stationary and animated objects that link to the Internet, and even stream video and audio. Accordingly, these virtual worlds offer features and tools through which nonprofits can and do engage the public and their beneficiaries in support of their objectives.

Given these possibilities and offerings, it is not surprising that Second Life has become a hub of activity and engagement for nonprofits, with 11 nonprofit centers. One such center is known as Nonprofit Commons (NPC), managed by TechSoup, which provides free office space to nonprofits. NPC is now a global community of 400 members representing 80 nonprofits whose offices and community meeting spaces are based on two islands or "sims" in Second Life.

The purpose of this study is to examine the experience of nonprofits in Nonprofit Commons because it is the largest and most prominent of all such centers in Second Life. Specifically, it seeks to capture the benefits of a nonprofit establishing and maintaining a presence in a virtual world as well as the relative impact that a virtual presence has on their real-world mission and

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[1] Wikipedia, "Virtual World Examples," available from http://en.wikipedia.org/wiki/Virtual_world#Examples; Internet accessed August 23, 2008.
[2] Wikipedia, "Virtual World," available from http://en.wikipedia.org/wiki/Virtual_world; Internet accessed August 23, 2008.
[3] *Ibid.*

causes. The goal is that the findings will help nonprofits considering virtual worlds to make more informed decisions about how to engage this new medium most effectively.

Based on interviews with 12 nonprofits, the research scope encompasses three primary aspects of virtual world engagement and impact because it:

- Describes the events that triggered the nonprofits' initial exploration of Second Life and Nonprofit Commons;
- Presents the perceived benefits of these nonprofits prior to joining SL; and
- Analyzes the benefits of a nonprofit presence in a virtual world and the impact of those benefits on the nonprofit's real-world issues and causes.

The study captures largely qualitative outcomes and anecdotal evidence as well as some quantitative fundraising results.

The **triggering events** largely fall into five categories:

1. A news article;
2. A group meeting;
3. Recommendation from a friend or colleague;
4. Need for an online community meeting space; and/or
5. A business individual seeking to "give back" that led the nonprofit into SL.

Secondary influences were free office space and user statistics that demonstrated a relevant audience in Second Life. The reasons were diverse, from technological, religious and psychological to those related to networking, accessibility, and business.

The **perceived benefits** of the nonprofits prior to joining Second Life and Nonprofit Commons generally fell into eight areas (in order of perceived benefit):

1. Promotion of the nonprofit's cause;
2. Learning and education;
3. Networking;
4. Reaching beneficiaries;
5. Setting up virtual community "space";
6. Fundraising;
7. Providing mutual beneficiary support; and
8. Mobilizing volunteers.

The level of benefit that the nonprofits expected to receive from Second Life prior to joining was extremely low for all areas except promotion of the cause and learning and education, where nonprofits anticipated benefits.

After joining Second Life, the nonprofits rated the level of impact on their real-world missions significantly higher in most areas, compared with their pre-Second Life expectations. The actual benefit areas are, in order of impact level, to:

- Promote the cause, raise awareness or reach a new audience;
- Enhance learning and education;
- Network as part of a broader community;
- Fundraise in SL (Lindens) or in real life (world) currencies;
- Engage and learn personally or professionally (as an individual);
- Volunteer or mobilize volunteers;
- Communicate with, counsel and support members and users;
- Foster independence of beneficiaries;
- Leverage the media (public relations); and
- Provide mutual support (among beneficiaries).

The study presents specific examples of why these benefits have resulted in positive impact for the nonprofits as well as the tools used by nonprofits to achieve it.

In the last section, the author takes a next step beyond the study to address some of the challenges and opportunities that exist for nonprofits.

The **challenges** include virtual world technical and public perception issues, and the nonprofit's own organizational issues. The *technical and perception barriers* to entry include:
- Actual and perceived limitations related to Second Life and the nonprofit's technical level;
- Generational and digital divide factors limiting involvement;
- Public perception issues and the role of the media affecting nonprofits' concern about virtual worlds;
- Visitor engagement and customer service concerns; and
- Financial (fundraising) limitations inside Second Life.

The *organizational challenges* include:
- Issues of maintaining a presence (once the nonprofit has set up an office);
- Allocating staff time; and
- Budgeting financial resources to support nonprofit involvement.

These challenges can be overcome through targeted nonprofit investments, management of expectations and focused strategies to maximize the benefits, specifically allocating staff time for the learning curve, upgrading equipment, and planning engagement as a short-term, measurable campaign or project.

The **opportunities** include:
- Technological trends and the value of positioning the nonprofit;
- Tapping a new medium to reach the nonprofit's audience;

- Nonprofit cost savings and environmental benefits offered by virtual meetings and learning;
- The ability to leverage Second Life resources and the high rate of volunteerism there;
- The coming integration of virtual worlds with other platforms; and
- The demonstrated potential for for-profit and nonprofit collaboration.

These opportunities underscore the need to position the nonprofit for a future technology and donor base. They also suggest that nonprofits should focus on the qualitative benefits, cost savings and environmental advantages of maintaining a presence on a virtual platform.

In sum, nonprofits in virtual worlds such as Second Life are here to stay, given the advantages of this new mode of engagement. They have reaped the benefits of their Second Life involvement and are now achieving real-world impact via their engagement. This outcome suggests that the involvement of nonprofits in virtual worlds will grow.

II.   **Introduction**

A smart nonprofit is always seeking to promote its cause and find ways to expand its presence locally, regionally, nationally and globally. It may be via the media, a mail campaign, conference, fundraiser, or the nonprofit's Web site or online newsletter. More recently, however, the rise of online social networks have both encouraged and enticed nonprofits to enter a new arena where they might capture public attention and engage like-minded individuals seeking to promote their cause. Online social networks are the *next dimension* of more traditional social networks, where friends and colleagues meet via their businesses, places of worship, educational institutions and social centers. Online social networks Facebook and MySpace have become very well known.

> " *The future viability of Second Life as a non-profit tool will be largely judged on whether…questions about impact are answered."* -Rik Panganiban

Another dimension of social networks has recently become increasingly popular, virtual immersive environments such as Second Life (SL). Contrary to popular belief, these are not "games" (there are no "winners" and no end game) but true social networking environments where "avatars" (human-like characters that reflect individual creativity) can meet, communicate, learn, collaborate, own properties and a vast inventory of goods, build, volunteer and engage their constituencies in ways that have not been previously possible. A place like Second Life, where you can truly create a "second life," offers a new and innovative platform from which businesses, governmental entities, educational institutions and nonprofit organizations are finding a place to engage members, beneficiaries and the public.

Nonprofits have now clearly entered and established not simply stand-alone nonprofit islands through which they function independently in Second Life, but have created centers for nonprofit community where different organizations can meet, collaborate, educate others, promote their causes, and fundraise. The question for most nonprofits contemplating entering this world or once established there, is to determine if their presence in a virtual world makes sense and is worth the investment. As Rik Panganiban (Second Life Producer and Online Leadership Program Associate at Global Kids) notes, "The future viability of Second Life as a

non-profit tool will be largely judged on whether…questions about impact are answered."[4] This study seeks to explore that question and present the findings, based on the relative "time-tested" experience of nonprofits that have made the leap and experienced first-hand what is and is not possible in achieving their real-life mission using a virtual environment as a platform.

III.   **Purpose**

The purpose of this study is to capture data and report on the reasons cited by nonprofits for their presence in Second Life and specifically the benefits of this virtual world on achieving their real-world mission. In turn, it is hoped that the analysis and findings from this research will help enable the SL nonprofit community to make informed decisions as to whether to invest time and resources in this mode. It may further equip any organization that does so to garner greater credibility and public support strategically, expand its in-world (in SL) membership and volunteerism, strengthen its influence and ability to leverage resources and information, and ultimately enhance its impact on the causes promoted by the nonprofit in real-life terms.

IV.   **Scope**

This research addresses the experience of 12 nonprofits in Second Life (see **Appendix A**), the actual benefits of a nonprofit presence in a virtual world and the experienced relative "impact level" of those benefits on real-world issues and causes. The study also examines both the challenges and opportunities facing nonprofits in maintaining a presence in SL. This research focuses on the Nonprofit Commons (NPC) community, the largest and most prominent nonprofit community inside SL, making it a credible representative for data collection. NPC has more than 400 members, whose cause areas are diverse and whose geographic base spans 12 countries, the United States, Canada, the United Kingdom, France, Belgium, Italy, Bahrain, Japan, China, Sri Lanka, Australia and South Africa. NPC's physical sites within SL have had 1,800 visitors from 59 different countries, so the potential reach of this community globally and substantively is extensive. By analyzing the actual benefits, costs and impact of nonprofit organizations in this community, this study can suggest the potential for the broader NPC and SL-wide nonprofit community.

V.   **Methodology**

The research is based mainly on direct "in-world" interviews with 12 nonprofits regarding the perceived and actual impact of Second Life on their real life mission and causes (before and after joining SL, respectively). Given that NPC presently has 80 nonprofit organizations represented in its community, the research reflects 15% of its membership and spans a variety of cause areas including health and psychology, the environment, persons in transition, and micro-economic development.

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[4] Global Kids, Inc. (Global Kids' Digital Media Initiative), "Best Practices for Non-profits in Second Life – Fall 2007," prepared by Rik Panganiban (Supported by the John D. and Catherine T. MacArthur Foundation), available from http://www.holymeatballs.org/pdfs/BestPracticesforNon-profitsinSecondLife_012008.pdf; Internet accessed August 23, 2008.

The data collected is qualitative, quantitative (see **Appendix B**) and anecdotal in nature and focuses on:

1. Triggering events for joining SL and NPC;
2. Initial purpose for joining SL;
3. The actual benefits of the nonprofit's efforts inside SL on real-world missions;
4. The impact "value level" of those benefits (using a rating scale from 1 to 10, with 1 being highest); and
5. Data on the fundraising tools used and amounts raised inside SL.

While many of the organizations interviewed tend to have been in SL a period of six months to more than one year, on average the nonprofits interviewed had been inside SL for 10 months, and therefore have had opportunity to explore the benefits and implement their programs to some degree in this virtual environment. Thus, the organizational and substantive breadth and depth of this study offers valuable insight on the potential and actual benefits of SL for nonprofits considering establishing a presence inside SL.

VI.   **Impact Considerations**

A.   *Definition of Impact*

Impact on nonprofit causes is a broad term that is interpreted in many ways. This research defines impact as *any nonprofit activity inside SL that has a **positive influence** on their core mission and cause in real life (i.e., outside of Second Life), as determined and defined by the nonprofit.* In other words, those activities resulted in some **identifiable and "meaningful" outcome**, including:

- Increasing the public's education or awareness;
- Strengthening the nonprofit's own organizational capabilities and capacity;
- Developing the nonprofit's organizational networks;
- Enhancing the scope or scale of services and products to end users and beneficiaries; and
- Helping resolve or mitigate the issue/cause area of concern to the nonprofit.

The participants in this research ranked those benefits in terms of their relative impact level on a scale of 1 to 10, with 1 being highest and 10 being lowest (0 or N/A were not applicable). They identified and defined the benefits and rated the benefits on the extent of their impact on the nonprofit's real world mission. With this initial base of data, the study offers insight into the actual, growing impact of nonprofits inside Second Life on their real-world causes. It can be considered a "baseline" or starting point for future research and analysis.

It should be noted that the work and mission of one nonprofit, Virtual Ability, Inc. is 100% inside SL, having started with an SL Group (called Virtual Ability) that became a 501(c)(3) bearing a similar name. All of the assistance and services VAI presently delivers are to people via their SL avatars. This particular nonprofit therefore views its impact as 100% SL-based but for real-life benefit, meaning their real-life and SL mission are undifferentiated. One can view

their impact in SL as equal to their real-life impact or VAI's "Second Life is Real Life." VAI does, however, expect that the undifferentiated nature will change as they grow. They note that they anticipate expanding into additional real-life work, such as "…outreach to real-life doctors and caregivers and expand our services into other virtual worlds in addition to SL."

B. Impact Challenge: Beyond the "Right-Click Wall"

Some analysts consider the impact challenge to be "how to get past the 'right-click wall,'"[5] which represents the pie chart that appears (with action choices given a user in SL) when they click on an object in Second Life. The right-click wall is significant in terms of when a visitor is alone at a nonprofit office, and in terms of how a nonprofit leverages that action wall by offering tools to engage the user most effectively in SL so that they integrate the lessons learned and resources into their real- (first-) life causes.

However, **this study goes beyond the right-click wall because it views that form of user engagement to be but one of several engagement types possible in SL**. In other words, engagement is also human in nature because SL is inherently a social networking site. Where a nonprofit representative avatar is present, accessible or can follow up with direct communication to the user, social vs. "wall" engagement is possible. Nonprofits can, via this immediate or follow-up response, ensure the next level of social (and not just "wall") engagement. In addition, there are event based and group based social interactions that can further draw and involve the user before and after a visitor comes to a nonprofit.

> In assessing impact, "…this study goes beyond the 'right-click wall' because it views that form of user engagement to be but one of several engagement types possible in SL."

It is important to note that the nonprofits interviewed in this study considered all forms of engagement, including but not limited to the right-click wall. From all those engagement forms, they identified the benefits of SL and their impact as well as the challenges and opportunities noted at the end of this study.

C. Timeframe and Preliminary Assessment

NPC as a community is still relatively new in Second Life; the Grand Opening of NPC1 (the community's first "sim" or virtual island) took place in August 2007, and the Grand Opening of NPC2 (the community's second virtual island) was in May 2008, a few months prior to this report. Because of the relative newness of NPC, the findings in this study should be viewed as **preliminary impact and largely qualitative in nature**. While the nonprofits included in this study were in SL between six months and one year, several on NPC2 have only been part of a formally opened community for one or two months as of their interview date. Any impact, given that community status, is of significance. In addition, a plan to reassess the issues addressed in this study one year from the data collection date (July 2008) will provide greater insight into the benefits and impact of nonprofits in SL on real-world missions over time.

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[5] *Ibid.*

VII. Background

Nonprofits across the globe have already successfully established a presence inside a virtual world called Second Life, where several "nodes" or centers of nonprofits as well as numerous non-affiliated nonprofits, now exist, all trying to promote their missions and causes. Examples of these Second Life nonprofit communities, along with their Web sites and "SLURLs" (Second Life URLs or locations), include:

- **Nonprofit Commons (NPC):** nonprofitcommons.org, NPC1 (Plush) SLURL http://slurl.com/secondlife/Plush%20Nonprofit%20Commons/133/232/76, and NPC2 (Aloft) SLURL: http://slurl.com/secondlife/aloft%20island/128/128/0;
- **Commonwealth Island:** http://www.commonwealthisland.org/, SLURL http://slurl.com/secondlife/Commonwealth%20Island/128/128/0 and social network site http://commonwealthisland.ning.com/;
- **Commonwealth Kula sims**: Four sims or "islands" loosely associated with Creative Commons and Joi Ito that are often made available for ad hoc, nonprofit efforts, SLURL http://slurl.com/secondlife/Kula%201/128/128/0;
- **The SL Relay for Life/American Cancer Society**: http://slrfl.org/ and SLURL http://slurl.com/secondlife/American%20Cancer%20Society/131/63/23;
- **Info Island Archipelago**: http://infoisland.org/ and SLURL http://slurl.com/secondlife/Info%20Island/128/128/33;
- **Progressive Island:** SLURL http://slurl.com/secondlife/Progressive%20Island/128/128/0;
- **Better World Island**: SLURL http://slurl.com/secondlife/Better%20World/128/128/0;
- **Oneclimate islands:** Includes three organizations representative of nonprofits working on climate change issues and plans to host several groups focused on climate change, SLURL http://slurl.com/secondlife/OneClimate/144/68/26;
- **New Media Consortium (NMC)**: http://nmc.org/ and SLURL http://slurl.com/secondlife/NMC%20Orientation/128/128/0, noting that NMC works with both for-profit and nonprofit entities;
- **Health Support Coalition,** a loose coalition of health-related nonprofits, with no land, consists of the leaders of the individual support groups (with a related Health Discussion coalition and Health Education Consultants also exist; they are licensed, certificated professionals who assist in SL); and
- **Virtual Ability Research Group,** a SL Group with no land, comprised of multiple nonprofits operating inside SL which together help research in SL using people with disabilities as subjects.

All these communities come into SL to share issues, educate each other about needs and causes, raise funds, directly reach their intended beneficiaries in-world (directly making their lives better), network with other like-minded nonprofits, and otherwise promote their individual nonprofit mission and goals.

The largest and most prominent community is Nonprofit Commons (NPC), which is a two-island community managed by TechSoup.org[6] dedicated to supporting nonprofits in one unified SL community. As previously, noted, NPC has 400 members, representing almost 80 nonprofits and even more volunteers across various cause and issue areas; it has received 1,800 unique visitors from 59 countries since its creation. In addition, many of the NPC residents have other sims (islands) or partial sims throughout SL that are connected to other nonprofits, communities, constituents and groups across Second Life, so the reach of this community is extensive. In real life, the breadth of this community is also global with its members coming from 12 different countries.

> *"What is needed for the nonprofits to achieve their goals effectively [inside Second Life] is to better capture and synthesize information on the perceived benefits and actual impact that they are already having – not just individually but as a community – inside and outside SL on real-life causes."*

The opportunity exists inside NPC and other nonprofit communities to grow and leverage this community (and other communities) so that these nonprofits can continue expanding the ways in which they make their beneficiaries' lives better in a variety of cause areas. What is needed for the nonprofits to achieve their goals effectively is to better capture and synthesize information on the perceived benefits and actual impact that they are already having – not just individually but as a community – inside and outside SL on real-life causes. The findings of this study offer the basis for a case statement of nonprofits in SL and demonstrate the areas in which nonprofits can make an impact as well as areas and tools through which they can potentially achieve even greater impact.

VIII. **Findings**

This research and the related findings focused on:

- What brought the nonprofit into Second Life in the first place, i.e., what was the *triggering event*? The answer to this question offers the first indication of a nonprofit's perception of benefit regarding this virtual environment.

- What was the *original purpose* and perceived benefit of the nonprofit for being in Second Life prior to actually joining and experiencing a virtual world?

- What are all the *actual benefits* of the nonprofit operating in Second Life in real life (IRL) after the nonprofit experienced Second Life and fully understood the tools and capabilities of a virtual world (i.e., what are the demonstrated *impact areas* on the nonprofit's real-life mission and causes)?

With a better understanding of the organizational decision-making process around a nonprofit's entry into Second Life and ultimately its reasons for maintaining a presence in a virtual world, this study seeks then to capture what nonprofits have learned about the actual benefits and impact that they can have by leveraging virtual world capabilities.

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[6] Techsoup.org in real life provides "donated and discounted technology products for nonprofits and public libraries," available from http://www.techsoup.org; Internet accessed August 23, 2008.

A.   Reason for Joining Second Life (Triggering Event)

To better understand the impact that a nonprofit might have via its use of a virtual world such as Second Life, this study first explored why the nonprofits interviewed even ventured into Second Life in the first place. This triggering event helps reveal the nonprofits' "realization" about the potential of a virtual world.

The triggering events largely fell into **five types:**

1. News article;
2. Group meeting;
3. Recommendation from a friend or colleague;
4. Need for an online community meeting space; and
5. Business individual seeking to "give back" that led a nonprofit into Second Life.

> *"[T]here was an underlying realization that, because of this new technology, there was a means to reach both an existing and new audience. In addition, [the nonprofits] recognized that this new medium had become a sufficiently viable communication medium for doing so."*

While the triggering events tended to fall into these general categories, the attraction and realization that each caused each nonprofit to join SL differed, depending on the nonprofit's mission and focus. In other words, they **spanned reasons that were technological in nature, religious/inter-personal, psychological, networking, accessibility focused, and business related**. Across all these subject areas, there was an **underlying realization** that, because of this new technology, there was a means to reach both an existing and new audience. In addition, they recognized that this new medium had become a **sufficiently viable communication medium** for doing so, even though there exists some hesitation regarding this virtual platform and the learning curve involved for new users.

1.   Media (Newspaper or Magazine Article)

The most common reason for joining Second Life was a ***newspaper or magazine article*** about Second Life that triggered an interest related to the public good. These include:

- **Technical article (new tools)**: Popular Science September 2006 issue (Your Second Life is Ready by Annalee Newitz)[7], prompting Bridges for Women to explore SL for its technological tools and related benefits;

- **Religious article (outreach):** October 2007 Ministry Today magazine article, which "…talked about reaching out to younger generations, including through Second Life. The way in which the article described SL, with a "…person behind every avatar," essentially making Second Life an intriguing medium for Uptown Shelter, a nonprofit focusing on homelessness, to reach people and new audiences better;

- **Philanthropic article (organizational networking)**: "Pixelanthropy: Charities tap into Second Life"[8] by Janet Rae-Dupree of Contribute, which identified the activities of the

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[7] Popsci.com, "Your Second Life is Ready," by Annalee Newitz, available from http://www.popsci.com/scitech/article/2006-09/your-second-life-ready; Internet accessed August 23, 2008.

nonprofit community and stimulated a call by Reader's Digest to the Giving Circles Network to find out which, if any of the 400 Giving Circles were operating in SL – prompted GCN to explore SL to find Nonprofit Commons for Giving Circle presence;

- **Disability article (accessibility):** CNET.com: Article about persons with disabilities (PWD) and the relevance of Second Life, which prompted Ophoenix to explore the potential of SL for its own organization and beneficiaries, who are persons with disabling medical conditions (i.e., the focus was about promoting the organization but more importantly about accessibility); and

- **Business article (future of philanthropy and business):** Business Week April 2006 (Anshe Chung, first real-life millionaire from her activities in-world, on the cover), prompting one NPC member to explore SL for community building purposes.

2. Group Meeting, Conference or Training Event

A second type of triggering event was a **group event or meeting** which either promoted or raised Second Life as a viable new medium for communication and marketing. For example, in one case the event was the *Games for Change* annual festival that promoted video games for the social good. During that festival, Second Life was featured, and one nonprofit (Great Strides) investigated SL as a result. In another case, there was a *staff meeting* discussing Web 2.0 and ways to promote the organization (and "get the word out"). During that meeting, the topic of promoting the organization via Web 2.0 and Second Life was raised, leading to the exploration and participation of Community Voice Mail (CVM) in SL. Lastly, a representative for Contact a Family (CAF) experienced an *"in-world" seminar* and saw the potential for establishing a presence for a nonprofit inside SL because CAF wanted to reach a pre-existing audience and provide a service where people were already conversing and being social.

3. Recommendation from a Friend or Colleague

A third triggering event was influence or **recommendation from a collaborator** (business or nonprofit in nature) **or friend** who had prior experience in SL. In the case of Kiva.org, one Kiva volunteer posted a discussion thread about Second Life and noted that they were already making efforts for Kiva inside SL, prompting the current Kiva representative to become actively engaged in SL. In the case of Contact a Family, Safia Widdersham (SL avatar), Editor of Prim Perfect Magazine (which is a SL publication), explained the benefits of a virtual world to Contact a Family, helping that nonprofit to learn about and become engaged in SL.

4. Need for Online Community Meeting Space

A fourth triggering event involves a group searching for online community meeting space (i.e., a "Web support group environment"). This is the case of a group of individuals which eventually formed Virtual Ability, Inc. Theirs was a group of persons with disabilities seeking online virtual space to meet and discuss issues. These individuals identified and researched several virtual worlds and chose SL as the best virtual platform. Once inside SL, they set up an

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[8] MSNBC.com/U.S. News/Giving (January 10, 2008), "Pixelanthropy: Charities tap into Second Life" (Nonprofits move into virtual world and champion causes in new ways) by Janet Rae-Dupree of Contribute, available from http://www.msnbc.msn.com/id/22574057/; Internet accessed August 23, 2008.

SL Group called the "Heron Sanctuary" (their first project, which represents their community meeting space) and ultimately created another group called Virtual Ability, Inc., resulting in the creation of a 501(c)(3) bearing the same name. Once having formed an official nonprofit (working backwards, so to speak, from an SL Group), they joined NPC as well.

5.   Business Individual "Giving Back" that Leads Nonprofit into Second Life

The last type of triggering event involves private individuals, engaged in business ventures in real life and Second Life, seeking to make a difference and exploring a way to "give back" to the world. These individuals **sought out and actively recruited nonprofits to create a Second Life presence**. This was the case of both Sustainable Harvest International (SHI) and Project Jason. In the case of both nonprofits, individuals who actually already had a presence and owned stores in Second Life researched causes of interest to them, targeted specific nonprofits of interest and then actively persuaded those nonprofits to create a presence in SL, serving at the same time as their SL liaison and guide.

In the case of SHI, this avatar was Thely Anansi, who currently owns 11 stores in SL, was particularly interested in environmental issues and ultimately targeted SHI and became a volunteer for them. After she convinced SHI to join SL, she took on the real-life job of assisting SHI with its Corporate Social Responsibility (CSR)[9] programs, as she maintains her role for leading their organization inside Second Life and continues to fundraise for SHI via her stores.

In the case of Project Jason, Ronnie Rhode initially started inside SL by creating the Garden for the Missing, which was a small garden with interactive posters about persons who were missing. Due to the enthusiasm and encouragement she received from visitors, she kept expanding the Garden. Finally, she considered opening a store to support the monthly land rental fees on the Garden and eventually opened two stores, one with interior décor and one for professional women's clothing (which now have become five stores). At the point that she had a large area dedicated to the missing (it had grown to include 150 posters), she researched five or six organizations related to the missing. She identified Project Jason and contacted them. Once Ronnie brought Project Jason in-world, she and the organization started a professional relationship. A few months later, Ronnie learned that NPC existed and recommended to Project Jason that they apply to join NPC, which they did. Now Garden for the Missing has a four-story, two-wing building with 170 posters as well as a garden next to Project Jason on NPC.

6.   Other Factors (Free Office Space, User Statistics and Technology)

Other factors also contributed to various nonprofits' decisions to create a presence in Second Life, as noted below:

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[9] Wikipedia defines "Corporate Social Responsibility" as "…a concept whereby organizations consider the interests of society by taking responsibility for the impact of their activities on customers, suppliers, employees, shareholders, communities and other stakeholders, as well as the environment. This obligation is seen to extend beyond the statutory obligation to comply with legislation and sees organizations voluntarily taking further steps to improve the quality of life for employees and their families as well as for the local community and society at large." Available from http://en.wikipedia.org/wiki/Corporate_social_responsibility; Internet accessed August 23, 2008.

- **Low-cost engagement: The low cost of participation in SL and the availability of free office space** via TechSoup's Nonprofit Commons community, while typically not the original reason nonprofits explored Second Life, often became an incentive after venturing inside SL to set up a presence.

- **Statistics on Second Life users:** Two nonprofits identified this factor as relevant for their initial involvement. In the case of Project Jason, the "sheer number of people involved in SL was an enticement." For Contact a Family, the published statistics on SL users were important. For example, at least one study shows that 75% of the users were over 25, those over 35 years are more active than the average user, and the heaviest users are over 44. Of those, females spent nearly twice as long online as males.[10] This is a significant statistic for Contact a Family, who is trying to reach an older female audience, i.e., mothers active inside SL.

- **Ability to leverage new technology:** One nonprofit (Project Jason) found the ability to leverage state-of-the-art technology, such as virtual tools, was not only fascinating but also attractive as a new option in reaching an audience.

All of these factors contributed to stimulating nonprofit interest in the value of SL and ultimately establishing a presence. These triggering events largely resulted in the perceived benefits outlined below.

B.   *Initial Purpose of Perceived Benefit Prior to Joining SL/NPC)*

Each of the nonprofits interviewed initially realized that SL offered its organization a viable communication medium. After that, the question was what was the ***initial purpose*** of the nonprofits leveraging this new communication medium ***before fully understanding SL as a virtual medium?***

The answers are not surprising in that they encompass the areas that a nonprofit might find beneficial from most any social networking site and are in the following order of relevance (i.e., the percentage of nonprofits citing a given area as a benefit):

- Promotion of the cause (92%);
- Education (67%);
- Networking (42%);
- Reach beneficiaries (42%) and provide mutual beneficiary support (17%);
- Build resources [fundraising (25%) and mobilizing volunteers (8%)]; and
- Enhance Personal/Professional Engagement (10%).

The nonprofits interviewed offered additional information about what they intended to achieve inside Second Life and how they intended to achieve it.

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[10] Massively MMO Web site (massively.com), "Key Second Life metrics," by Tateru Nino, 16 April 2008; available from http://www.massively.com/2008/04/16/key-second-life-metrics-for-march/; Internet accessed August 23, 2008.

1. Promotion of the Cause

The primary reason that nonprofits entered Second Life and set up a presence inside Nonprofit Commons was to promote their cause or their organization. The type of audience toward whom the promotion is directed varies, however. These ranged from potential beneficiaries (inside SL), nonprofit service providers (who collaborate with the nonprofit), nonprofits with a similar cause and the public.

a) The Public

The primary purpose for entering SL was to promote the cause and the organization to the *general public*. Three good examples of this purpose are:

> *"[T]he 12 participating nonprofits anticipated promotion of the cause to be the primary benefit of Second Life and viewed other perceived benefits to have some, but comparatively low value."*

- Kiva.org, which seeks to "…reach a new Second Life audience to **spread the word** about Kiva and, they hope, get them to participate in the cause via their SL and real-life Web site." Kiva, through microfinance programs, "…connects people through lending for the sake of alleviating poverty;

- Project Jason is "always looking for creative ways to **reach new people,**" **educate them** about the cause of missing persons, and **find new supporters** inside a new platform such as Second Life; and

- The Giving Circles Network sought to **educate the public on Giving Circles** as an alternative grassroots means to engage in shared giving and enhance giving impact as well as to educate nonprofits and others on the existence of these donor resources.

b) Beneficiaries: Pre-Existing via Different Platform

Another reason nonprofits enter SL is to reach their intended beneficiaries. There were several such examples of this purpose to reach the following beneficiary groups:

- **Families with children who are disabled.** Contact a Family sought to "*reach a new audience" (beneficiary population)* inside SL, *females who are mothers*. The first reason is SL has a strong demographic of females using the platform (the majority of whom are older than 35 and tend to spend twice as long on SL than males).[11] Second, many of the people who come to Contact a Family are females. CAF wanted to extend their reach to SL by offering the same "helpline service" that it does in real life to a *pre-existing audience* but via SL where parents (particularly mothers) could, via this virtual world, contact the organization for advice, support and guidance in caring for a disabled child of any condition (i.e., same help, different platform). While CAF holds support groups across the United Kingdom, many parents have trouble attending due to various problems (childcare commitments, financial restrictions, travel, and fear of judgment in face-to-face interactions). SL offers a way to provide a service for people who are unable to access this support in real life by helping overcome beneficiary obstacles.

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[11] *Ibid.*

- **People with substance abuse disorders or other addictions.** Preferred Family Healthcare "…established a presence in Second Life to explore the value of early intervention oriented activity in substance use disorders and other addictions." PFH hoped that "…the relative anonymity of Second Life might *open the door to many who would not wish to entertain the notion they could have a problem*, to give these individuals, and their families and friends, information leading to self-assessment, offer some simple "do it yourself" solutions to try without formal intervention, and direct those who need it to more intensive forms of assistance."[12]

- **Persons with disabilities.** Virtual Ability, Inc. and the Heron Sanctuary (prior to becoming a formalized SL Group or even a nonprofit), sought to "[f]ind a community for persons with disabilities and then, having found none existed in SL, to *become that community in SL for [persons with disabilities]*."

- **Families and friends of the missing.** Project Jason, a third example of attempting to reach beneficiaries, similarly sought to use Second Life to **bring awareness to potential beneficiaries** (i.e., the families of the missing whom they support).

c)   Other Nonprofits with Similar Cause: National and Local

Some nonprofits sought to enter SL as a platform to connect with other nonprofits promoting similar causes, not only via networking globally and across the U.S. but also locally. For example, Uptown Shelter is a nonprofit supporting the homeless in Charlotte, NC, and while it seeks to collaborate with other nonprofits supporting the homeless across the U.S., it also wants to promote the entry of other homeless shelters in their local area to come into SL and use it as a platform for geographic (local) collaboration.

d)   Service Delivery Providers

Another perspective on promoting the cause and the nonprofit was seeking to reach organizations that could function as new "service delivery providers." Community Voicemail (CVM) runs a "federation" service model and, through this, partners with agencies across the U.S. to distribute voicemail to the homeless. CVM therefore saw SL as an opportunity to connect with potential service delivery providers.

e)   Donors and Professional Grantmakers

Last, but not least, is the importance of individual donors and professional grantmakers (corporations, foundations, Giving Circles and others). Nonprofits need to promote their causes and organizations to donors who fund and enable them to achieve their missions. SL offers a means to reach individual, corporate and nonprofit donors and government agencies:

- **Corporate**: Cisco, which funds the award-winning Community Voicemail (CVM) as part of its Corporate Social Responsibility (CSR) program, is well established inside SL.

- **Foundations**: The MacArthur Foundation now has set up an island which may well become a center of foundation activity in Second Life, and being located next door to NPC 2 (Aloft), will be beneficial to the resident nonprofits there.

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[12] Preferred Family Healthcare — Master Second Life Notecard; Second Life, Internet accessed July 20, 2008.

- **Government Agencies:** The National Oceanic and Atmospheric Administration (NOAA), National Aeronautics and Space Administration (NASA), and the Centers for Disease Control (CDC) are all in Second Life. Other federal entities are investigating Second Life for applications, particularly learning and research simulations. Among these entities are the Department of Energy (DOE), National Science Foundation (NSF), National Institutes of Health (NIH), Department of Homeland Security, the U.S. Army, U.S. Air Force, U.S. Navy, and representatives concerned with Federal-wide regulations such as Section 508 for Persons with Disabilities, as presented during ***the April 2008 Federal Virtual Worlds Expo: Implementing the Future*** hosted by the Federal Consortium for Virtual Worlds. [13]

2. Education

Education (of the public, beneficiaries and others) is tightly connected to the nonprofits' desire to "promote the cause." Here are five examples of nonprofits that sought to use education as one of its primary reasons for joining SL:

- Bridges for Women has, as part of its primary mission, to provide women survivors of any form of abuse with education, training and other supportive programs which will help them break the abusive cycle. It sought to use the SL virtual reality space to promote their organization, On-Line Program, program startup manual and Community Resource Guide. They wanted to investigate SL as a potential for **delivering a virtual Bridges Program (education, training and support) in the future**.

- Ophoenix, which assists patients recovering from disabling medical conditions to leave the hospital and re-integrate into the community, sought to **create online support and education "space" for persons with disabilities.**

- Uptown Shelter viewed SL as a "wonderful medium" to share the story of the homeless and help **break the stigma of the homeless (via education of the public).**

- Preferred Family Healthcare sought to use SL in part to provide **classroom type education about addiction and recovery.**

- Project Jason sought in part to use SL to **educate the public about the missing**, which in turn not only helps to find missing persons but also brings relief and hope to the family and friends of the missing to know that information about their missing loved one is being disseminated broadly.

3. Networking

Several nonprofits included in the study cited one purpose of joining SL was to network locally and nationally with organizations of similar mission, service providers and clients:

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[13] Federal Consortium for Virtual Worlds Expo "Implementing the Future" (Agenda and Powerpoint presentations), April 2008, available at http://www.ndu.edu/irmc/fedconsortium_apr08agenda.html; Internet accessed August 23, 2008.

- The Giving Circles Network (GCN) seeks to assist Giving Circles (a new, grassroots form of philanthropy) and other individual donors in making their charitable contributions more meaningful. GCN viewed SL as an excellent medium to further promote one of its primary goals, networking. It sought to **connect with any Giving Circles inside Second Life and create space for them as well as to connect with other nonprofits to learn about them and their causes inside SL with an eye to transferring this knowledge to its Giving Circle members.** GCN ultimately hopes to support virtual Giving Circles and charitable giving inside SL to promote their causes in real life.

- CVM is another case of a nonprofit seeking to **network inside SL nationally with potential service providers** (as noted above); and

- Uptown Shelter desires to use SL as **a platform to network and collaborate with other organizations supporting the homeless locally**.

Whether on a global, national, regional or local level, nonprofits saw the potential and value of a virtual world, one that has no geographic boundaries, for enhancing their ability to network with existing and potential donors, nonprofits, and service providers.

4. Providing a Beneficiary (Mutual) Support Environment and Intervention

Two nonprofits identified that their initial purpose in joining SL was to provide an environment for mutual support and discussion among the organizations' beneficiaries, including:

- Preferred Family Healthcare, which sought to provide a means for individuals with substance abuse problems and addictions to participate in mutual support groups; and

- Virtual Ability, Inc., which wanted to provide the online social networking and mutual support space for persons with disabilities.

5. Setting up Virtual Office "Space" via TechSoup/NPC

Several nonprofits that did not have land for nonprofit purposes inside SL sought space for their respective beneficiary communities. The Giving Circles Network was interested in setting up some kind of online virtual office or presence inside SL, and NPC offered the means to achieve that. Ophoenix wanted to set up land, space or office for persons with disabilities, just as Virtual Ability, Inc. sought to establish a space for its members. Garden for the Missing, which is not a structured nonprofit but rather a group supporting family and friends of the missing inside SL, had no ambitions except to set up a "little prayer area" and "provide a tribute to the missing" even though that quickly changed and expanded in purpose.

Because land or office space is relatively expensive inside SL and because for many nonprofits there is not always the desire to commit to the costs of a virtual world such as SL before fully understanding its potential, almost all the nonprofits found **TechSoup's offering of free office space inside SL served as an additional incentive to join**. Essentially, NPC as a community allows the nonprofits entry into the virtual world at minimal cost, mainly the staff

time to participate in weekly meetings, maintain an online presence and volunteer in community activities.

6.   Resource Building: Mobilizing Funds and Volunteers

While most nonprofits do not enter SL for the primary purpose of resource building, some do cite that as one of the purposes for joining, as follow:

> *"[A]fter joining and participating for an average of 10 months inside SL and a nonprofit community such as NPC, they found more benefits. As a group, a greater percentage of the nonprofits found those benefits to offer greater impact on their real-world missions [than originally anticipated]."*

- Sustainable Harvest International (SHI) and the SL volunteer who promoted their entry into SL started out by promoting the SHI cause, generating donations for the organization and mobilizing volunteers in SL and real life for SHI;

- Kiva.org sought to solicit donations via a simple donation box and channel those Linden donations back into U.S. dollars for microfinance programs in the developing world; and

- Great Strides saw resource building as one of the goals it initially had and continues to have inside SL.

In summary, the 12 participating nonprofits anticipated promotion of the cause to be the primary benefit of Second Life and viewed other perceived benefits to have some, but comparatively low value. This perception contrasts sharply with the actual benefits and impact level that these same nonprofits – after an average of 10 months in Second Life – found a virtual world to have on their real world mission and causes, as presented below.

C.   *Benefits of Participation and Impact Level (Identified After Joining)*

The initial purpose that nonprofits identified prior to joining SL provides insight into the potential benefits of a virtual world. However, by exploring the post-SL setup experience of nonprofits, one finds a broader, deeper and richer range of benefits and potential impact than most nonprofits perceive prior to joining SL.

The major interview finding is that the identified benefits of and impact from participation encompass **10 areas that are directly relevant to nonprofit organizations**. These are, in order of impact level:

- Promote cause, raise awareness or reach a new audience;
- Enhance learning and education;
- Network as part of a broader community;
- Fundraise in SL (Lindens) or for IRL (real-world) currencies;
- Engage and learn personally or professionally (as an individual);
- Volunteer or mobilize volunteers;
- Communicate with, counsel and support members/users;
- Foster independence of beneficiaries;
- Leverage the media (public relations); and
- Provide mutual support (among beneficiaries).

Graph A below illustrates that the perceived benefits of SL were strikingly different compared with the actual benefits experienced by the survey participants. The nonprofit respondents, before joining SL and NPC, had perceived some (but relatively few) benefits of operating in a virtual world. By contrast, after joining and participating for an average of 10 months inside SL and a nonprofit community such as NPC, they found more benefits. As a group, a greater percentage of the nonprofits found those benefits to offer greater impact on their real-world missions. This illustration suggests that the benefits are greater than initially perceived by nonprofits and that the rationale for their participation in SL exists.

Graph A: Perceived vs. Actual Benefits by Nonprofits in Second Life (Pre vs. Post Setup)
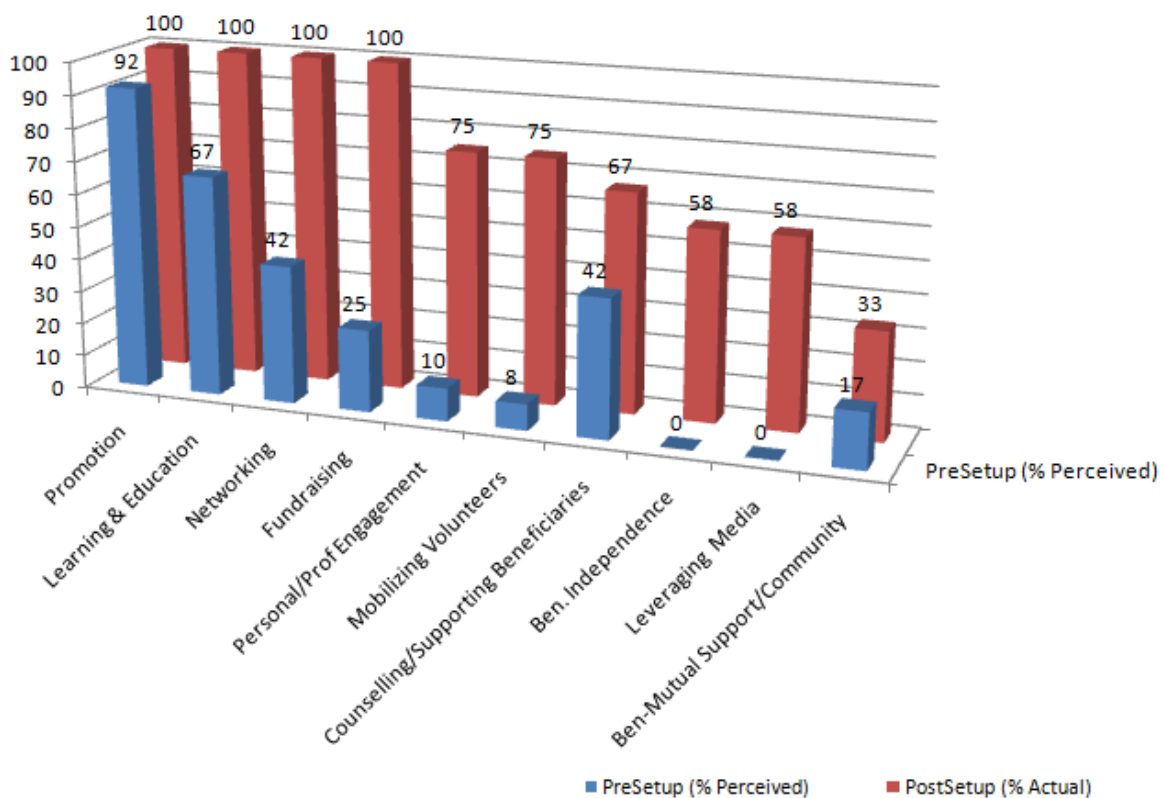
Source: From data compiled by GCN during July 2008 interviews with 12 NPC nonprofits.

Nonprofits further rated the relative impact of each benefit on their real life causes. **Graph B** below is an illustration of the benefits that nonprofits rated as having the most impact (i.e., rated them a 1 or 2 on a scale of 1 to 10, with 1 being highest). These higest impact areas were promotion of the cause, education and networking. Different forms of education were rated (this one represents visitor education). While the actual impact of all educational areas combined is higher, it could not be reflected in this chart as these are not always mutually exclusive.

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Graph B: Percent of Nonprofits Rating Benefits a 1 or 2 in Impact

Percent of Nonprofits Rating Benefits a 1 or 2 (Highest) in Impact

(Bar chart showing, from left to right: Promote ~77%, Educate ~68%, Network ~68%, Counsel ~60%, Engage ~51%, Mobilize Volunteers ~43%, Fundraise ~35%, Mutual Support ~26%, Empower ~18%, Media ~10%. Vertical axis ranges from 0% to 80% in 10% increments.)
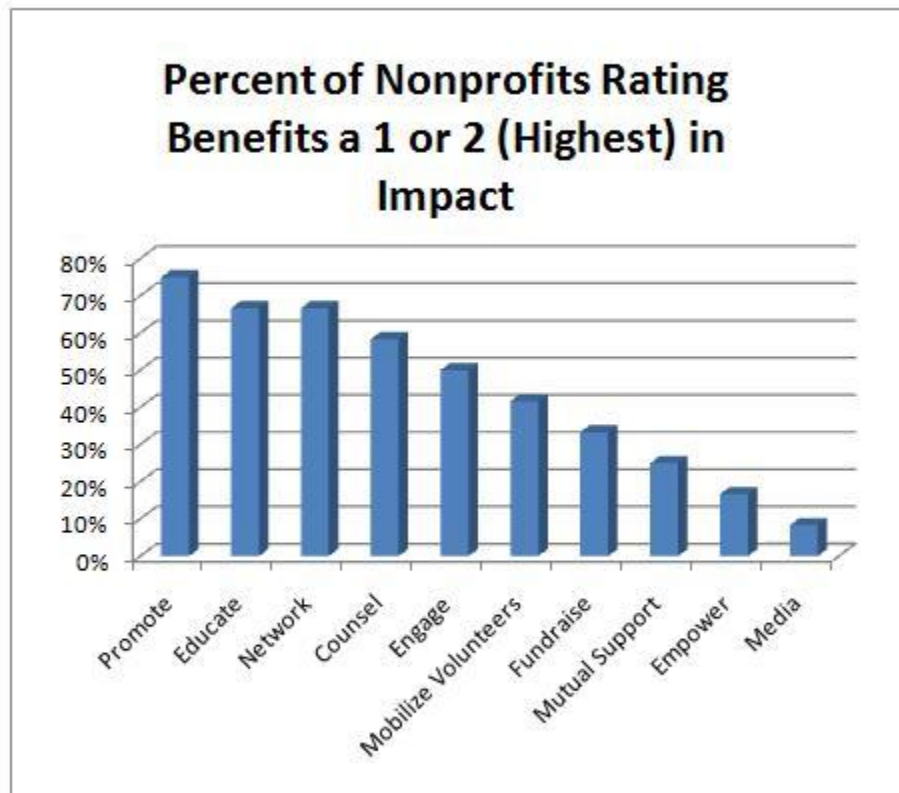
Source: From data compiled by GCN during July 2008 interviews with 12 NPC nonprofits.

Below is a summary of each benefit, the relative impact level that the nonprofits viewed each benefit area having on their real life mission and additional anecdotal information about their value to the nonprofits.

1.   Promote Cause, Raise Awareness or Reach a New Audience

In alignment with the primary reason for which nonprofits had entered Second Life (i.e., to promote their cause), all nonprofits interviewed said that the most important benefit of maintaining a presence in Second Life is to promote their cause, raise awareness, or reach out to a new audience (or an existing audience type on a new platform). **All respondents (100%) rated this as a benefit, and seventy-five percent** *actually rated this benefit as #1 in level of importance.* This finding is consistent with the American Cancer Society, whose representative Randy Moss noted

> "*Awareness seems to be the most obvious benefit of being on SL.*"
> -Randy Moss, American Cancer Society

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"Awareness seems to be the most obvious benefit of being on SL."[14] The nonprofits interviewed said that they were able to promote their cause via the Nonprofit Commons community because they could:

a) **Reach an existing audience or generation but via a new virtual platform** (e.g., Contact a Family seeks to engage a female audience including mothers with children who have a disability);

b) **Reach a new audience via Second Life** (e.g., individuals on SL who search for topics of interest but who might not know about a specific nonprofit or cause until finding it and visiting the nonprofit via that function). Bridges for Women cites that a supporting reason "…to stay involved with the NPC is that we realized we need to keep current with technology in order to reach the next generation after reading the Gartner report that 80% of active Internet users will have an avatar by 2010." They also "intend to investigate other virtual worlds and social media platforms in the near future now that SL has been so successful in terms of expanding awareness of our program."

> *"Second Life is a good launching point"* for outreach to other channels (such as Facebook, MySpace or YouTube) by interfacing technologies via cross-platform links." - Rik Panganiban

c) **Engage in Outreach via Second Life to Tap Other Outreach Channels**, such as Facebook, MySpace and YouTube. Nonprofits found benefits by combining or interfacing SL technologies across platforms. Both the respondents, as well as Rik Panganiban in his "Best Practices" research, referenced this opportunity to exist across platforms, "Several groups noted that Second Life activities are good launching points reaching people through others means."[15]

d) **Promote their causes "in-world" (throughout Second Life) via:**

(1) **Featuring their nonprofits in the SL Showcase** of places to go and visit, which involves a relatively easy application process and can result in fast turnaround (even a few weeks) driving upwards of 1000 visitors as experience by Garden for the Missing and Contact a Family.

(2) **Issuing SL Group Notices** on an ongoing basis, given that each nonprofit can not only create a same-named group in SL, but via that group can issue announcements, invitations and notices on a regular basis.

(3) **Ongoing SL-wide nonprofit classified ads**, free of charge to all NPC residents (initiated via a nonprofit's land controls) and found via SL-wide classifieds and searches.

(4) **Participating in event-based SL-wide publicized activities**, such as the NPC areas for the SL 5th Birthday Celebration (with a focus on each nonprofit), NPC specific advertised events as noted above, or nonprofit specific advertised events such as open houses and fundraisers sponsored by the nonprofits themselves.

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[14] Global Kids, Inc., *Ibid.*
[15] *Ibid.*

(5)   **Participating in SL-wide sponsored nonprofit competitions** such as the USC/Annenberg Network Culture Competition on Second Life and the Public Good, where finalists had to promote their cause and solicit votes, much like on the popular television show, American Idol

(6)   **Advertising free goods and services via ongoing or event-based notices**, including free scripted office tools and wearable or usable objects such as t-shirts and animations, all of which draw visitors from throughout to your island or office

e)   **Promote their cause/organization "in-world" (targeted to NPC members, volunteers and visitors)**

(1)   **One-on-one informal activities and interactions** (text and virtual chat) in the NPC sims (islands).

(2)   **Weekly NPC Meetings,** e.g., simply via announcing the organization each week, "Meet Your Neighbor" coverage (where each week one nonprofit is featured and presents to the community about his/her organization and cause), special topics and "open mic" (when nonprofits can raise or present topics, events or offerings ad hoc).

(3)   **Weekly Entertainment** such as NPC 1 and NPC2 each hosting weekly dance parties on Tuesday and Thursday, respectively. These are the Wharf Ratz parties every Tuesday nights at 8 PM SLT [16] ("Second Life Time" which is the same as U.S. Pacific Time); and the NPC1 "Common Ground" parties on Thursday nights at 7PM SLT. During these events, nonprofits meet others inside and outside the community and have the opportunity to discuss their causes and organizations at a "hangout" on NPC island.

(4)   **Official Publicized NPC events**, such as:
- NPC1 (Plush) Grand Opening in August 2007;
- NPC2 (Aloft) Grand Opening (with an estimated 500 avatars participating in May 2008);
- NPC 1 & 2 Dance and Live Streaming Musical Event (July 2008); and
- NPC 1 & 2 Scavenger Hunt (August 2008).

f)   **Promote their causes in the "real world" via mixed reality events** (where real life and Second Life events are held simultaneously and where interface occurs between the people IRL and avatars in SL via video and audio streams) such as:

- Netsquared Mixed Reality Event (May 2008); and
- Mixed Reality nonprofit conferences with participation of members and others, such as has been achieved by the Annual Conference sponsored by the Grant Managers Network, which is affiliated with the Council on Foundations and a member of NPC2 (Aloft).

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[16] Preferred Family Healthcare, Wharf Ratz SLURL, available from http://slurl.com/secondlife/Aloft%20Nonprofit%20Commons/164/227/23; Internet accessed August 23, 2008.

2.   Enhance Learning and Education

Learning is a major benefit and impact area for nonprofits inside Second Life. They have realized and experienced first-hand that virtual environments such as Second Life offer value when it comes to learning and education. This is the case whether the learning relates to the **nonprofit educating itself** (on new technologies, other nonprofits, causes, or simply on the benefits of a virtual world); **education and training of its beneficiaries**; or **education of visitors and potential donors** on their cause, organization or services.

Ninety-two percent viewed SL as providing an impact in one or more areas of learning, with 83% viewing education of visitors and new audiences as a clear impact area. Nonprofits rated the learning and training for their own organization 92%, which is greater than their impact rating for educating visitors.

a)   Visitor Education

Eighty-three percent of respondents viewed education of visitors and new audiences (or existing audiences via a new platform) as a primary benefit and impact area. ***Almost half of the nonprofits (42%) rated this type of learning as #1 on benefit and impact***. The specific features of SL that make a virtual world beneficial include:

- **Providing 3D virtual offices that are personally navigable with self-training tools** (where visitors can click on every object and learn or take away note cards, landmarks, tools, freebies, and other objects to continue learning at a later date).

> *Several visitors to NPC discovered that they had "learned more in a few weeks inside SL and NPC..." on a given cause than they had "learned in the last several years." It's not the information available inside SL that is necessarily unique, but rather the medium and how it is presented, that engages the visitor and enables deeper and more rapid learning.*
> *– NPC Interview Quote and Findings*

- **Providing live customer service and education** via "Avatars on Duty" (AVoD), which offer real-life persons behind them who have regular, posted office hours. Alternatively, even if an avatar is not on duty, they are accessible via instant message (IM) or other notification inside SL that a visitor has crossed the threshold of their office doors. Additionally, the real-life nonprofit representatives can be reached, even if they are not in SL but have access to email, as they can "respond instantly" to an IM that notifies them via email when visitors arrive and rapidly come inside Second Life to greet visitors.

- **Leveraging existing 2D tools inside a 3D platform**
  - **Web pages** immediately viewable inside SL;
  - **Videos** (mp4 and YouTube) viewable inside SL; and
  - **Streaming audio** of live music, talk shows or other live audio-based programming.

- **Leveraging new 3D SL presentation tools**, by enabling training via a 3D virtual platform, such as 3D virtual tours, 3D objects (that enable a form of learning not possible on the Internet) and other 3D tools, such as SL based:

- **Powerpoint type presentation** tools (e.g., the "Meta Presenter") which the user can scroll through without help;
- **Publications** (SL specific books and magazines), such as the "Intellibook" or "ThinkBooks" that can be published inside SL and through which one can literally read a three-dimensional book and see images inside SL;
- **Survey, voting and other customer service tools;**
- **Educational videos** on history, issues and solutions relating to specific causes; and
- **Training videos** that instruct users on how to address or mitigate a cause.

A valuable aspect of these presentation tools is that the presenter does not need a room, projector, or dedicated PC that is connected to a presentation screen, all of which can cost the presenter US$7,000 to US$8,000 in certain circumstances. Additionally, neither the presenter nor the participants need to travel, book hotel rooms or incur any of the normal expenses related to travel and transportation.

- **Enabling "immersive" experiential training**, which engages the visitors via a virtual simulation of the nonprofits' causes. Examples include providing virtual experiences:

  - **"Homeless person" experience** (such as offered by Uptown Shelter), enabling the visitor to walk through and experience the life of a homeless person in a back alley;
  - **"Victim of abuse" experience** (as provided by Community Voicemail) where there is a mat that, when touched, displays a "dream sequence" simulation of a victim being abused; and
  - **"Families of missing person" experience** via the interactive posters made available by Project Jason and Garden for the Missing.

Because the experience is three dimensional visually but also can be accompanied by readable text as well as actual voice and other real life sounds, the experience is beyond what is possible on the two dimensional Internet, intersecting real life senses as well as deepening the understanding and learning experience for the visitor.

All of these tools, and this is not a comprehensive list, enable nonprofits to reach out, attract and educate individuals who might not normally take the time to learn about that particular cause. As related by nonprofits interviewed for this study, *several visitors to NPC and SL discovered that they had "learned more in a few weeks inside SL and NPC" on a given cause than they had "…learned in the last several years."* It is not the information available inside SL that is necessarily unique, but rather the medium and how it is presented, that engages the visitor and enables deeper learning.

b)   Nonprofit Self-Education

Nonprofits cited their own learning (for their own organization) more often as a benefit than for visitor education, with 92% of nonprofit respondents citing this as a key benefit and impact area. However, almost half (42%) rated their own education as a 3 in level of impact, so while a benefit, not having the impact as achieved via visitor education. Examples include:

- Staying abreast of technology;
- Training in functional areas, such as project management;

- Forum for meetings of geographically dispersed employees; and
- Avenue for private or online chat where informal learning and education can take place.

c)   Beneficiaries

Fifty-eight percent cited education of beneficiaries as a benefit. This smaller (yet still sizable) percent was because education of beneficiaries tended to be a cause-specific benefit, so not applicable to all nonprofits. While some nonprofits quickly find and can educate their beneficiaries inside SL (e.g., victims of violence, persons with disabilities, and individuals with substance abuse issues), other nonprofits will generally not meet their intended beneficiaries inside a virtual environment (e.g., the homeless is less likely as a beneficiary group to be in SL). Of the nonprofits identifying beneficiary education as a benefit, 57% who perceived it as a benefit found it to have impact levels ranging from a #1 to #3.

The nonprofits that do achieve impact by reaching their beneficiaries from SL found it to offer:

- Ability to leverage existing Web and SL-based training tools (such as MOODLE[17] and SLOODLE[18]) so that text chat and virtual training classrooms inside SL can interface with Web-based text chat forums (discussion boards) and learning outside SL;[19]

- Avenue for private or online chat where informal learning and education can take place on an avatar-to-avatar (person-to-person) basis; and

- Training that can enable beneficiaries to gain greater levels of self-knowledge and control over the cause or issue that is the nonprofit's focus (such as substance abuse and violence).

Preferred Family Healthcare probably offers one of the best examples of beneficiary education of the nonprofits interviewed. It has a project called "Something Less, Something More" (SLSM), which has a two-part focus for education and support. The first part is "non-prescriptive" information dissemination to encourage people and to host groups that provide support. The second part consists of classroom type presentations plus discussion, offering basic education about addiction and recovery, available to anyone who wants to attend.

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[17] Wikipedia, "Moodle." Moodle is a free software e-learning platform (also known as a Course Management System (CMS), or Learning Management Systems (LMS), or Virtual Learning Environment (VLE)). It has a significant user base with 38,896 registered sites with 16,927,590 users in 1,713,438 courses (as of January, 2008). Moodle is designed to help educators create online courses with opportunities for rich interaction. Its open source license and modular design means that people can develop additional functionality. (Wikipedia.org); Internet accessed August 23, 2008.

[18] Wikipedia, "Sloodle." Sloodle is a merge of Second Life, with its virtual reality, and Moodle, with its course management system. While early in development, this approach hints at new options for enabling learning in a social, immersive, and interactive way. (Wikipedia.org); Internet accessed August 23, 2008.

[19] Global Kids, Inc., *Op.Cit.*, pp 26-27.

3.   Network as part of a Broader Community

Another impact area for nonprofits was the identified benefit of networking as part of a broader community, whether that was locally, regionally, nationally or internationally. All respondents (100%) rated this as a benefit. While only 58% rated this benefit as #1, other nonprofits still viewed this as a benefit, ranking it second through fifth on a scale of 1-10 (with 1 being highest level of importance to the organization). This finding was consistent with the **Best Practices** report, which noted that "Inter-organizational collaboration is [especially] important for non-profits, particularly smaller, more local groups that might have less opportunity and capacity to engage with their colleagues in other institutions."[20]

Understandably, all nonprofits who found networking to be beneficial were seeking to find, bring in, and collaborate with others focused on their same cause. This was the case with Uptown Shelter and Garden for the Missing. Uptown Shelter, while wanting to collaborate with like-mission nonprofits focusing on the homeless such as Community Voicemail (a national nonprofit), also seeks to bring in other local nonprofits from the Charlotte, NC area that support the homeless, so nonprofits can collaborate on problem solving and services locally.

> *Most nonprofits inside SL are finding, bringing in, and collaborating with others focused on their same cause or looking at other nonprofits to see how they make use of a virtual world. The nature of SL...helps to enable and deepen this interaction and networking in ways not possible via regular online social networking.*
> *-Giving Circles Network*

Similarly, Garden for the Missing, while wanting to network with other nonprofits in general and those focused on missing persons specifically, also sought to bring a nonprofit into SL (and NPC) that is dedicated to the missing, Project Jason.

The benefit of this nonprofit networking is exemplified by a current TechSoup project to create one centralized directory for nonprofits. This is not a directory specific to just one nonprofit network or node such as NPC but all the nonprofits throughout Second Life. This directory will facilitate nonprofits to network and help donors and beneficiaries to find nonprofits inside SL.[21]

Other nonprofits, such as Sustainable Harvest International (SHI) are interested in collaborating via communities such as NPC to promote their cause, learn and leverage resources and capabilities. SHI noted that "Being involved in NPC has been great to see how other nonprofits make use of the virtual world."

The reasons that Second Life enables and promotes cross-organization networking are numerous. The event-based and notice-based nature of SL, the live community engagement possible via the sim (island) based environment, and simply the immersive aspect of SL all help enable and deepen this interaction and networking beyond what is possible through other two dimensional social networking tools such as Facebook and MySpace. One nonprofit

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[20] *Ibid.*

[21] Nonprofit Commons Weekly Meeting notes, available from http://groups.google.com/group/TechSoup-Second-Life/browse_thread/thread/e2d4e4115cd1a051?hl=en#%7CNotes; Internet accessed on August 23, 2008.

(Ophoenix) commented that "…because Second Life is visually attractive and there is an idea of 'proximity,' it draws a longer hold than regular text [or voice] chat (that is possible via the second dimensional online social networking sites), so creates more interaction…" across individuals and organizations.

4.   Communicate with, Counsel and Support Members and Users

A majority (67%) of nonprofits interviewed found SL-based communication, counseling and support to their members, users or beneficiaries to be a benefit. Fifty-eight percent of all nonprofits found this area to be of high significance in impact, rating it #1. This area implies that a nonprofit's users are actually engaged online and hence able to benefit from the services via SL itself (or from SL to another medium where there is a technological interface, as in the case of Bridges for Women using SLOODLE and MOODLE). Preferred Family Healthcare does find beneficiaries via SL and has success in reaching its members via its SMSL Project. Ophoenix rated this #2 because, while of high impact value, many of their beneficiaries do not have access to the technology to enable them to participate in Second Life. Hence, the value of this impact area is high where the nonprofit can reach its audience online and where its users tend to have access to adequate technology to participate in a virtual medium.

> *"[T]he value of [SL-based communication, counseling and support to their members, users or beneficiaries] is high where the nonprofit can reach its audience online and where its users tend to have access to adequate technology to participate in a virtual*

5.   Engage and Learn Personally or Professionally

The individual benefits of engaging in Second Life on behalf of a nonprofit are also notable, including the ability to engage with others personally, establish professional contacts, and learn about issues and causes for one's own personal giving and professional development. Seventy-five percent (75%) found this a benefit, with 50% citing it as a high impact area (#1 or #2). Some personal and professional benefits were found to be:

- Learning how to run a nonprofit organization inside Second Life;

- Expanding personal philanthropy by engaging in regular conferences and events for the nonprofit supported in real life;

- Establishing relevant professional contacts via Second Life for real-world nonprofit business (e.g., some nonprofit representatives have other "day jobs" in the nonprofit, business or government arenas, and have had the opportunity to make professional contacts for their other business life); and

- Building friendships and networks of friends (i.e., creation of a virtual social network and life), which lends itself further to community building activities. Because Second Life is a virtual social networking environment, it is no surprise that several nonprofit representatives have discovered that by joining SL and participating in NPC, they have

established friendships. Those friendships in turn have contributed to achieving the other benefits mentioned in this section.

6.   Volunteer or Mobilize Volunteers

Service resource leveraging, in terms of volunteers, was similarly viewed by 75% of the nonprofits interviewed as offering an identifiable benefit for their organizations. As in the case of fundraising, this type of resource leveraging ranked high in perceived impact on their real life mission for less than half of nonprofits, with 42% rating it as a #1 or #2 in impact level. Nonprofits are just now learning how to reach, mobilize and engage their volunteers via Second Life. It is taking place, however, in small numbers, such as the case of Kiva.org, Project Jason and Garden for the Missing, who have recruited volunteers inside Second Life to staff and support their offices and who are willing to promote the nonprofit and cause for free.

SHI is a prime example of the wealth of potential and actual volunteers that exist inside SL. As previously noted, the main reason SHI even joined SL and NPC was due to a SL member (Thely Anansi) who had been in SL for four years (prior to SHI's joining), managing a chain of jewelry stores. Thely wanted to do more and give back to the world. She wanted to find something to use her connections through the stores and leverage their income to help a cause of interest to her. Her jewelry has mostly a nature theme and, given her interest in the environment, she looked for something that promoted environmental causes and identified SHI as a worthwhile nonprofit. She contacted them and recommended that they join SL for fundraising and education, which they did even though SHI had never used the Internet for fundraising. In this way, she started as a volunteer inside SL, but later expanded her volunteer activities and took on assisting in SHI's Corporate Social Responsibility (CSR) programs of corporate sponsors (i.e., she helps get businesses interested in supporting SHI). As a result, while starting out as a SL volunteer, she now has two roles with SHI, in both SL and in real life. SHI is pleased because it is a way to work with other nonprofits and do fundraising in SL while benefiting from the corporate fundraising in real life.

Project Jason and Garden for the Missing are also prime examples of the critical importance of volunteers in supporting the entry of nonprofits into SL, maintaining their presence and even fundraising for them. If it not had been for SL, Ronnie Rhode would not have been a volunteer with Project Jason, which is distant from her geographically. The lesson is that people can volunteer in ways in SL that they simply cannot in real life and that volunteerism can lead to real life volunteer roles, as both Ronnie has achieved with Project Jason, as "Public Relations and Media Manager," and Thely with SHI, supporting their CSR program.

There are also the notable individuals who join NPC as volunteers and support all nonprofits across the community in a variety of technical and community issues, including building, landscaping, promoting positive community relations and event marketing general support, such as Parhelion Palou and Mercedes Ochs. While some nonprofits are not necessarily aware that these individuals are not TechSoup employees or nonprofit representatives, they are truly volunteers who support the community as a whole and nonprofits individually to achieve their goals and mission inside Second Life.

7.   Fundraise in SL (Lindens) or for Real Life (World) Currencies

Many nonprofits are skeptical as to whether online fundraising can generate relevant funding for nonprofits. Indeed, even the *regular online world of fundraising is small*, only generating between 1% to 5% of a nonprofit's overall contributions. However, the rate of increase is growing rapidly and increased by 50% in 2007 as demonstrated by sites such as Network for Good and JustGive.org.[22] The article referenced noted that "Donating via *social-networking sites* (such as

> *While "…100% of the nonprofits…considered SL to offer benefits in the area of fundraising [as demonstrated by the American Cancer Society]…the 'how to leverage that' was viewed as a challenge."*

Facebook Causes, MySpace Impact, or any number of cause-related networks like dosomething.org or youthnoise.com) accounts for an even smaller share."[23] With *virtual social networking sites such as Second Life* being even newer (where users are not as prevalent and donations are less mainstream), one could conclude that fundraising in virtual worlds represents an even smaller share.

Despite that reality and prospect, 100% of the nonprofits interviewed considered SL to offer benefits in the area of fundraising. Unlike other impact areas, however, relatively few rated fundraising as a high impact area, with the majority viewing its actual impact as #3 or lower. In other words, the nonprofits could see the value of fundraising in Second Life, but the "how to leverage that" was viewed as a challenge, as addressed under *Challenges and Opportunities*.

Nevertheless, nonprofits in Second Life have started to show that fundraising is possible and an untapped or at best under-utilized source. For example:

a)   **Donation Boxes (in SL Linden Currency):** All nonprofits set up and provide the means for SL visitors to donate to their organization and cause, whether at their own office or via a business or other SL location, which allows their donation boxes to be set up. Kiva.org appears to have had the most success with not only their donation box but also the impact of the Linden currencies raised with their donation boxes. Kiva raised approximately US$1,000 as of May 2008 (after one year of operating the donation box), which it converted from Lindens into U.S. dollars and then re-invested in microfinance projects throughout the developing world. While the amount is relatively small, Kiva achieved impact via those donations, helping to fund 60 microfinance projects. The results of those projects can be viewed at the Kiva Second Life Web site "Kiva Lender: Kiva Fund Group, S/L".[24]

b)   **Link to Web site U.S. Dollar donations (via Paypal or other online payment):** Many nonprofits have set up direct links in-world to their donation Web site. Among the respondents, Great Strides has had the most success in generating donations online via this link, totaling US$550 as of May 2008 resulting from in-world solicitations.

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[22] Georgia Levenson Keohane, "The Facebook Philanthropists: How Much Giving Do Online Contests and Networks Really Generate?" Slate Magazine, 11 February 2008.
[23] *Ibid.*
[24] Kiva.org Second Life Web page, available from http://kiva.org/lender/secondlife1494; Internet accessed August 23, 2008.

c)   **Business income contributions:** At least two nonprofits in NPC (SHI and Project Jason) are funded in part via a percentage of income from Second Life business profits. Thely Anansi has 11 stores inside SL and raises $100 per month for SHI from a combination of donations at kiosks in her shops, the SHI office at NPC, and one at a garden center in SL as well as a portion of her store profits, which she personally donates. The owner of Garden for the Missing has five stores in SL (one of which is dedicated solely to Project Jason) and raises $60 per month for Project Jason. Both are seeking to mobilize other businesses to help support these nonprofits via SL generated funds.

d)   **Fundraising events:** Several nonprofits have raised funds directly stemming from sponsored events. Ophoenix held a mixed reality "Fun" Raiser, resulting in $5,000 in real-world donations and US$120 in SL donations. While NPC revenue from fundraisers may be small, The American Cancer Society has raised substantial funds during the last three years it has hosted its Second Life version of "Relay for Life"; it raised US$117,000[25] in 2007 and US$200,000[26] in 2008.

e)   **Donations for entertainment or educational services** such as automated tour rides: There are presently two automated tours on NPC, one of which requests donations at the conclusion of the tour (the NPC Horse Drawn Carriage Tour and the NPC Magic Carpet Tour). From the horse tour, Great Strides has raised US$10 since May 2008, but with NPC having a history of 1,800 visitors, this revenue stream could prove to be more beneficial over time.

f)   **"Flash" or emergency fundraising:** A few nonprofits have emergency situations and causes which they bring to the attention of members and visitors and for which they have also raised funds. Great Strides raised US$100 in "Flash" funding for a horse that had injured her leg.

These examples, particularly those of The American Cancer Society, demonstrate that fundraising is possible to some degree inside SL. The opportunities have not been fully tapped or leveraged. Primarily, this is due to the fundraising challenges facing nonprofits in SL, as noted in Section D. Nevertheless, nonprofits see the coming potential for fundraising in SL.

8.   Offer Access to Online Mutual Support (Among Beneficiaries)

Another little understood but valued benefit is the opportunity for mutual support among beneficiaries inside SL. This differs from counseling and support to beneficiaries in that it involves the beneficiaries supporting each other, even if it includes a mentor to guide discussions, such as is the case with Preferred Family Healthcare. This benefit is mentioned because it is relevant to all nonprofits whose beneficiaries are in SL and either need or can

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[25] American Cancer Society Press Room, "American Cancer Society Raises Nearly $115,000" during Virtual Relay for Life® in Second Life, Atlanta 2007/08/02, available from http://www.cancer.org/docroot/MED/content/MED_2_1x_American_Cancer_Society_Raises_Nearly_115000_during.asp; Internet accessed August 23, 2008.
[26] American Cancer Society Relay for Life article "Relay For Life® of Second Life®," available from http://main.acsevents.org/site/TR?fr_id=11450&pg=entry&JServSessionIdr011=wm6fe8zl93.app311b; Internet accessed August 25, 2008.

benefit from discussion and support among themselves. While a small percentage of nonprofits (33%) identified this as a benefit area, this is due to only a subset of the respondent nonprofits having the ability to reach their beneficiaries inside SL and then a smaller proportion having actually determined the means to reach those beneficiaries. Where nonprofits had reached their beneficiaries, the impact level was high, with 75% of those finding this a benefit with high impact (rating it #1 or #2).

A prime example is Preferred Family Healthcare whose primarily seeks to support its beneficiaries inside SL. With their "Something Less, Something More" (SLSM) Project, they offer a two-part approach to address the needs of beneficiaries as well as family and friends who are seeking to support their loved ones suffering from addictions. In this project, they provide both a mentor-guided discussion, mutual support environment for the persons with substance abuse and other additions as well as education and training in a classroom setting.

Another example is the families and friends of missing persons. Such individuals often suffer grief over years, even decades, and often find that their real-life friends do not fully understand the consequence of the loss of a missing loved one and the need for others to provide continuing support. Inside SL, however, there exists the possibility for live and avatar-to-avatar discussion and support among all of those who have been impacted by that same kind of loss. The importance of this mutual support space inside SL cannot be understated. The significance and positive impact for family and friends of the missing is such that Project Jason and The Garden for the Missing has set up private space in a Virtual Reality Room essentially inaccessible to other avatars and enabling total chat privacy, where such discussions can occur and where they can receive support.

9. Empower and Foster Independence of Beneficiaries

As noted earlier, the areas of SL that have a direct benefit and impact on a nonprofit's beneficiaries relates directly to the specific cause area of each nonprofit. The impact area related to empowering or fostering the independence of beneficiaries was cited as notable by 58% of the nonprofit respondents (the others found it not applicable as a benefit due to the nature of their cause). Most who view this as a benefit rated it lower on the level of impact (3, 5, 7, 8 or 10). This may be due to the minimal extent to which nonprofits have leveraged the tools inside SL to achieve impact in this area.

> *"[E]mpowering or fostering the independence of beneficiaries was cited as notable by 58% of the nonprofit respondents..." [where relevant to the cause area], particularly when nonprofits leveraged technological tools to reach users outside of SL and/or overcome user disabilities.*

Bridges for Women (BFW) rated this as a 1 (i.e., most important in impact). Given that their beneficiaries are present inside SL, and are also accessible from SL via other 2D support, training and chat environments, i.e., via the MOODLE and SLOODLE interfaces, the benefit of SL on BFW beneficiaries is higher than might be experienced by nonprofits that do not use this interface. By educating and supporting their beneficiaries from SL, BFW has found that the

resulting independence of women who are victims of domestic violence is an important benefit and focus on this new virtual medium.

Other nonprofits noted that fostering the independence of beneficiaries via SL was a positive benefit. Contact a Family "…guides people to seek financial and emotional resolutions," which is a form of independence or freedom from the challenges of having a member of the family who has a disability. Ophoenix noted that the independence gained by persons with disabilities inside SL is remarkable. However, they also noted that for every hour spent inside SL, that person might not be attempting to achieve independence in real life, so there is a trade-off which persons with disabilities need to consider.

10. Leverage the Media (Public Relations)

There are planned and unexpected media benefits possible from a presence in Second Life, at both the NPC community and individual nonprofit levels, although these have been found to have low impact to date.

a) Planned Media Coverage

Some nonprofits are media savvy or have media connections, and as a result have explored and leveraged the media opportunities possible via SL. However, only 8% of respondents viewed leveraging the media as an impact area for their nonprofit. Contact a Family (CAF) entered SL via an SL media representative, Safia Widdersham, Editor of Prim Perfect Magazine who interviewed CAF soon after they joined NPC on SLCN TV).[27] CAF notes that it is focused on promoting their SL office and presence wherever possible. Their experience is that involvement in SL seems to "…get the attention of media as it is quite an untapped territory in the UK." CAF was also on Sky News (a UK-based news station that is now in-world)[28] a week before their interview.

> *"There are planned and unexpected media benefits possible from a presence in Second Life, at both the NPC community and individual nonprofit levels, although [they]…have low impact."*

Nonprofit Commons (NPC) as a whole has been engaged in publicizing the nonprofit community, through which the nonprofits themselves have received publicity. The TechSoup NetSquared Conference in May gave press exposure to several nonprofit participants in the event when they were featured in media coverage after the event:

- Preferred Family Healthcare (PFH);
- Community Voicemail;
- Transgender Resource Center;
- Floaters; and
- Global Kids.

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[27] The Guardian, "Second Life: Disability charity sets up virtual advice service," by Quin Parker, 10 June 2008, SLCNTV video, available from http://www.guardian.co.uk/society/2008/jun/10/secondlife.disability; Internet accessed August 23, 2008.

[28] Brand Republic, "Sky News launches in Second Life," by Hayley Pinkerfield Revolution UK 03-May-07 available from http://www.brandrepublic.com/News/655069/Sky-News-launches-Second-Life/; Internet accessed August 23, 2008.

In addition, NPC as a group was represented at a U.S. Congressional committee hearing (during which NPC Senior Manager, Susan Tenby, spoke)[29] and in various follow-up articles to this event such as the OneWorld.net article "U.S. Congress Wades into Virtual Worlds."[30]

Several SL "machinima" (SL videos) have been posted to YouTube about NPC as a community and TechSoup as manager of the community. While individual nonprofits are sometimes featured in those articles, often the readers and viewers are directed to the general NPC Web site where they can read about all the nonprofits and find individual nonprofits which benefit from the publicity.[31]

b)   Unexpected Media Coverage

Other nonprofits have received unplanned media attention that stemmed from their involvement in NPC-wide events such as the May 2008 Grand Opening of NPC2 (Aloft). This tended to comprise the majority (71%) of nonprofits finding a benefit from the media, but the impact was viewed as low, with nonprofits rating it #9 or #10.

Kiva.org, SPCA and Giving Circles Network (not to mention Garden for the Missing) and others received BLOG publicity after the NPC2 Grand Opening, via an article called Marketer Makes a Difference: "Get a Second Life" by Karen Glover (May 2008).[32]

Garden for the Missing received unexpected media coverage even before joining NPC. From the start of Garden for the Missing until just before she became aware of NPC (May 2008 to October 2007), Ronnie had six articles published for her SL Group about missing persons. While now the media coverage is more expected, it nonetheless is a direct benefit of the involvement of Garden for the Missing in SL.

IX.   Challenges and Opportunities for Nonprofits in SL

Results of this study shed light on the benefits of nonprofits establishing and maintaining a presence in Second Life and suggests possible challenges and opportunities. In this section, the author takes a step beyond that study to address some of the challenges and opportunities for nonprofits in SL.

Generally speaking, the opportunities and benefits appear to outweigh the challenges. The challenges are often overcome through strategic nonprofit investments or strategies to maximize the benefits of SL. Where clear challenges exist (such as in fundraising), nonprofits

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[29] U.S. Subcommittee on Telecommunications and the Internet, "Online Virtual Worlds: Applications and Avatars in a User-Generated Medium," 1 April 2008, 9:30 a.m., 2123 Rayburn House Office Building, available from http://energycommerce.house.gov/cmte_mtgs/110-ti-hrg.040108.VirtualWorlds.shtml; Internet accessed August 23, 2008.

[30] Oneworld US, "U.S. Congress Wades into Virtual Worlds," by Jeffrey Allen, available from http://us.oneworld.net/node/159391; Internet accessed August 23, 2008.

[31] Blip.tv (The Drax Files), "Non Profit Commons: the Second Coming of SL," by Draxtor Despres, available from http://blip.tv/file/850344; Internet accessed August 23, 2008.

[32] Marketer Makes a Difference "Get A (Second) Life," 28 May 2008, available from http://marketermakesadifference.blogspot.com/2008/05/get-second-life.html; Internet accessed August 23, 2008.

are already collaborating with the broader NPC and nonprofit community in SL to reach a viable solution.

A. *Challenges*

Each nonprofit should carefully consider the challenges of operating in a virtual world to help inform its expectations and approach. The challenges are virtual world challenges (which encompass both the barriers to entry of the virtual world itself as well as the nonprofit's technical capabilities and resources); generational and digital divide issues; public perception issues, visitor engagement (customer service) issues, and financial (fundraising) limitations.

1. Virtual World Challenges

a) Technological

The technological challenges generally relate to actual and perceived limitations. The **actual** barriers of entry include "compatibility, usability, reliability" limitations of Second Life as well as the limitations of the nonprofit's technology used by staff who are accessing SL. There are also **perceived** limitations of the nonprofit's new avatar representative, which may or may not be technically savvy in real life or simply face a learning curve in Second Life.

(1) Actual Technical Limitations

(a) Second Life Technical Challenges

Second Life, with all its offerings, still presents barriers to users. These fall into compatibility, user interface, performance and reliability issues.

- **Compatibility:** Second Life has some compatibility issues with different operating systems, devices and internet access, which affect user access and experience. For example, Second Life does not officially support any laptop/mobile options and is not compatible with all graphics cards, dial-up internet, satellite internet, and some wireless internet services. While SL lists requirements[33], they are basic (recommended) ones from which a user should start. For optimal experience, a good video card, 1 – 2 GB memory, a modern processor, and hi-speed, unshared bandwidth is needed.

- **User Interface (Learning curve):** Once a person has mastered the basics (e.g., movement and communication), there is still a learning needed to become proficient (using menus and controls and adjusting clothing) as well as dealing with the occasional "griefer" (avatar who purposely disrupts the SL experience). For those desiring to build and script, they must learn the SL Object Editor and scripting language.

- **Performance:** SL also has usability issues due to bugs in the platform design that result in "lag" (response delay) and other performance issues. Lag can be partially resolved at the user level via settings, but other types of lag relate to the server caused by the number of avatars, textures and scripts in one region, which place additional load on the server, affecting user experience. There is also network lag (related to ISP connection, internet or the Linden Lab facilities) as well as occasional system bugs.

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[33] Second Life website; http://secondlife.com/support/sysreqs.php; accessed 8/23/08.

- **Reliability**: Lastly, SL has reliability issues in terms of the ability of its features to always function. These relate to the core SL database, which encompasses everything in inventory, including all objects, avatars, and group notices. When database problems occur, users can lose access to inventory, be unable to teleport between regions, find delays in making Linden transactions (so donations may fail), and experience unpredictable results with group communications functions such as sending notices and instant messages (IMs). Fortunately, SL is much more reliable than it was even six months ago with the new physics engine, which has greatly reduced region crashes.

(b) Nonprofit IT Limitations

The nonprofit's IT limitations relate largely to its technology level and the learning curve faced by the nonprofit representative entering Second Life on behalf of the organization. The actual PC access limitations (which are not always a challenge for the nonprofit) can be overcome via targeted investments in RAM or a suitable graphics card as well as the addition of a microphone or speakers to enable voice chat; however, the latter is not an essential feature for effective participation (many avatars do not have voice chat capability). The learning curve of an avatar depends on the avatar's technical knowledge as well as their commitment to learning this new platform. Many nonprofits have representatives inside SL who are not technical but who have progressed through the learning curve at a rapid pace as a result of their commitment. A nonprofit's IT limitations can be overcome via targeted investments in technology and staff time to complete the learning curve.

(c) Community Networking Limitations:

The more definite technical limitations of SL are undoubtedly what can be termed the "community" networking, given the synchronous networking limitations of SL and related server limitations. Because networking happens in real time, there is a time/space barrier as to how many people can congregate in one place.[34] Not all members or friends are on SL at a given time, but even if they were, the server constraints often result in user lag (delays) when the per sim avatar population exceeds 40. This impacts community events, such as celebrations, meetings, learning, and fundraising opportunities. One solution is to host events on co-located sims. Relay for Life used this approach in its SL 2008 event, supporting 35 sims at one time and relocating avatars as needed when sim population exceeded server capabilities.

(2) Perceived Technical Limitations

The limitations perceived by the nonprofit generally loom larger than the actual limitations. They relate to the assumption that the nonprofit must buy or rent land, possess IT expertise to fully leverage SL benefits for the nonprofits, and possess building and scripting skills to effectively create a nonprofit presence inside SL. None of these perceptions are accurate, because qualifying 501c3 nonprofits can establish a presence (an office) for free via communities such as NPC. They can learn the skills required to build an office or leverage the expertise of the volunteers and other nonprofit representatives to establish a presence in SL. As such, most technical resources that a nonprofit needs already exist in the NPC community.

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[34] Global Kids, Inc., *Op.cit.*, p. 21.

b)   Generational and Digital Divide

Nonprofit leaders might come from the non-digital generation, not already immersed in virtual technologies, and they may face a learning curve to engage in SL. Nevertheless, the most active users are older than 35 years old and the heaviest users are older than 44, so the generational divide is not statistically significant; nonprofit leaders can learn and transition to a virtual platform. The challenge might be more perception, and thus it might benefit nonprofit leaders to explore virtual worlds.

In addition, nonprofit leaders and managers, regardless of their age or technical engagement preferences, must consider the digital generations who have grown up with Web technologies, such as the "Millenials" (the 30-year-olds and younger; 80 million people born in the U.S. between 1978 and 1999). For this and other digital age groups, outreach to and inclusion of them may necessitate nonprofits to "…pay close attention to evolving and potential work-related applications of *customized, collaborative, and interactive technologies*, such as Compendex, blogs, *Second Life*, YouTube, Wikis, ChaCha)."[35] The generational and digital divide can be overcome for the long-term benefit of the nonprofit and the causes they support.

c)   Public Perception Issues and the Media

A challenge that some nonprofits face is the general public's perception of virtual worlds. The media often publicizes negative aspects of virtual worlds, particularly the pornographic areas whose 3D nature lends itself to heightened visual dimensions for sexually explicit purposes. However, virtual worlds, including Second Life, are no different from any other part of the Internet in that regard. As corporations, government agencies and nonprofits expand their presence in virtual worlds, this perception should change. Nevertheless, nonprofits should be prepared with their response when stakeholders and the public pose concerns or questions.

d)   Visitor Engagement (Customer Service): "Right Click Wall"

A definite challenge is visitor engagement. If the nonprofit leaves its virtual office unstaffed, just-in-time customer service and visitor engagement becomes an issue. The nonprofit, depending on how they set up or staff their office, may leave the visitor alone with the "right click wall," which might have mixed success. When building its office and establishing its online presence, the nonprofit needs to consider carefully how it will engage visitors. This may be through tools and interfaces that the visitor can access alone or it might need to be complemented with regular office hours and staffing (see "Organizational Challenges" below). Technical and organizational solutions exist to address visitor engagement and good customer service inside SL. On the technical side, some simple tools can notify a nonprofit representative when an avatar is near or enters their office and issue an IM that appears in email, so an immediate in-person SL presence is possible.

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[35] U.S. Department of Transportation, RITA – National Transportation Library, "Welcoming the Millenials," 12 June 2008, available from http://ntl.bts.gov/networking/tlrarchive/millennials/text_version_millennials.html; Internet accessed August 23, 2008.

e) Financial (Fundraising)

There is no doubt that real-life and sizable real-world currency donations present a challenge to nonprofits focusing on the fundraising benefits (or lack thereof) inside SL. For the American Cancer Society, this challenge has been overcome to a large degree with their fundraising successes of 2007 and 2008. Smaller nonprofits, however, will continue to be challenged until a viable solution for engaging donors inside SL is found and leveraged for all to use. These challenges in SL fundraising include the "Right Click Wall," the "Donation Speed Bump" and the "Linden Dollar Mindset" as many nonprofits refer to them.

(1) Donations via the "Right Click Wall"

We referred to the Right Click Wall above in "Definition of Impact" and "Visitor Engagement" as a challenge for a visitor when he/she right clicks on an object and is given the choice to act in some way. When a visitor is alone (when no one from the nonprofit is present during the visit) and making the choice to "Pay" or "Donate," there might be less pressure, urgency or interest to act in response to the Right Click Wall. As a result, nonprofits might lose their unattended visitor and fundraising ability if the Right Click Wall is not preceded or accompanied by something enticing or motivating to the visitor. This might include communication (a notecard that inspires the reader to give), a learning experience (an immersive experience that moves the visitor to give), entertainment (music or other enjoyment) which creates appreciation for the visitor to consider giving, or other enticement to act, such as a freebie after which a visitor might be inclined to donate.

(2) Linden Dollar Mindset

The Linden Dollar Mindset further exacerbates the Right Click Wall issue. For readers who are not experienced as SL users, the "Linden" is the currency inside SL, which has an exchange rate that hovers around $265 Lindens for every US$1. Objects for sale are cheap inside SL, with many items such as buildings, vehicles, décor, clothes, tools or animations costing $250 Lindens or less, if they are not freebies already. As such, spending levels inside SL are lower due to these pricing and payment norms. Accordingly, donations at events and inside nonprofits reflect these norms, with $100 Linden donations (approximately 38 cents) considered normal, and much higher donations unusual. At this level, the ability for nonprofits to generate viable fundraising inside SL is lower than in the real world. This is the Linden Dollar Mindset challenge. Nonprofits need to consider this financial reality, develop a strategy to maximize donations despite it, and balance and prioritize their fundraising desires with all the other benefits of SL (i.e., nonprofit promotion and other highly rated benefits).

(3) New Avatar Budget Limit

Even if an avatar were moved to donate the equivalent of US$20 in SL, some *new user* account types limit a person via their avatar to do so. SL sets limits to the amount of US$ (or other currency) that can be exchanged in a given month (e.g., US$20 per month is normal), further limiting the amount of U.S. currency to which any new avatar has access inside SL at any given time. Therefore, if a new avatar were to donate US$20, their operating budget inside SL would be exhausted rapidly, which is a further disincentive to donate. The alternative becomes directing visitors to donate outside SL, which leads us to the Donation Speed Bump challenge.

(4)   Donation Speed Bump

In addition to the Right Click Wall challenge, there is also the "Donation Speed Bump." A nonprofit can easily direct or link visitors to their real-life donation Web site to make a US$20 donation online versus a US$1 donation (which equals $265 Lindens) inside SL. However, many nonprofits, in an attempt to attract SL visitors to that online donation site, have found what they call a "Donation Speed Bump." Visitors stop and consider the easy and inexpensive (right click) Linden Donation Box versus the two-step process (going outside SL) to reach a higher financial commitment by donating real money (US$20) where they might have to complete a form with credit card and personal information. When considering options, the two-step, lengthier and more expensive donation option becomes a road block for many, and the nonprofit is left with their $265 Linden (US$1) donation. Nonprofits will have to explore and test ways to overcome this donation speed bump to make SL a more viable fundraising source.

> *"Nonprofits need to explore creative ways to get past the donation 'wall, mindset, budget and bump.' The answer is undoubtedly in changing the donation norm because the ability to drive visitors to an online donation site from inside SL already exists."*

Despite these challenges to fundraising, nonprofits in Second Life still see potential. Nonprofits need to explore creative ways to tap the potential and get past the donation *wall*, *mindset*, *budget* and *bump*. The answer is undoubtedly in changing the donation norm because the ability to drive visitors to an online donation site from inside SL already exists.

In addition, nonprofits must seek creative solutions for this challenge as a community and consider all the benefits of SL, with fundraising perhaps taking the place of a longer term benefit. Nonprofits can appreciate the positive aspect of Linden donations, even though they are much smaller than real-life donations they can be used to pay for SL office tools and objects, given that the cost of items inside SL are similarly small.

2.   Organizational Challenges

a)   Maintaining an Organizational Presence

Once a nonprofit establishes its office inside SL, then they must maintain a presence (not simply having an office). As Rik Panganiban notes, "Often Second Life projects are initiated by one highly motivated individual within an organization who becomes the primary interface for the group. However, other priorities start to take precedence in the person's work and personal life, other colleagues don't take up the slack, and eventually the office becomes just another abandoned, forgotten build."[36] The nonprofit needs to be cognizant that there is some care and feeding involved in maintaining the office and its presence. While virtual, this SL presence is a real one, and both residents and visitors note the lack of presence or follow-up. Therefore, any nonprofit needs a strategy for active participation and staff turnover to ensure that its virtual presence remains viable.

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[36] Global Kids, Inc., *Op.Cit.*, pp. 23-24.

b) Allocating Staff Time for Community Participation

Beyond a presence for visitors to promote the nonprofit's mission and organization, the nonprofit needs to maintain a presence as an active community member. This is important because the nonprofit is part of a community, not on a stand-alone island or office. In NPC, TechSoup requires all nonprofits to maintain a minimal community participation level by attending weekly meetings at the very least, being in the community for an additional two hours each week, and encouraging its members to participate via volunteering for the community in some way. Many nonprofits do not consider the community participation element as that critical. However, many activities to promote the community and each nonprofit are regularly planned and implemented. The community needs the members to participate in these activities, however minimally, and can better promote both the community and individual nonprofits if members participate and support those activities. For example, the NPC August 2008 Scavenger Hunt required minimal nonprofit involvement, but the event increased traffic to the offices of the participating nonprofits. Each nonprofit can strategize its participation level without expending unreasonable staff time.

c) Allocating Financial Resources to Conduct Business in SL

When does Second Life become a valuable enough "business" case for a nonprofit to dedicate a portion of its budget specifically to SL activities? This may include staff time, technology to access SL or support interface technology (such as SLOODLE and MOODLE), the purchase of SL land and related objects and tools, or sponsoring fundraising events in Second Life (or with a SL dimension).

One nonprofit (Uptown Shelter) has now found SL to be a persuasive enough business argument that it is factoring funds for SL into their annual budget. They are considering a full 15,000 prim sim (island allowing 15,000 objects to be placed on it) and inviting other agencies in Charlotte to create a Charlotte homeless social services sim, the cost of which would be shared by local agencies.

Some sources recommend not viewing this as a long-term project but instead as a "campaign" with a beginning, middle and end, so as to manage expectations and costs.[37] In this context, a nonprofit can define expected results or measurements of success. This approach would offer a strategic approach with pre-defined costs and specific outcomes and outputs.

B. Opportunities

1. Trends and Positioning Nonprofits: Virtual Wave of the Future

The Gartner Group predicts that by 2011, 80% of all "active Internet users" will be operating in a virtual world and have a "second life" if not necessarily in Second Life (i.e., via one of the virtual platforms).[38] The World-Wide Web was a phenomenon in the early to mid-1990s and,

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[37] *Ibid,* p. 24.
[38] Gartner Media Relations, 2007 Press Releases (May 2007), "Gartner Says 80 Percent of Active Internet Users Will Have A 'Second Life' in the Virtual World by the End of 2011," available from http://www.gartner.com/it/page.jsp?id=503861; Internet accessed August 23, 2008.

from public perception or actual standpoint, unclear as a viable or revenue-producing medium. Today, virtual environments are at that same state of development and public perception. Given the benefits of virtual environments, and as they develop and integrate technologies, they will become an important transactional, political, educational and social networking medium, as suggested by the Gartner Group. In light of this, SL and NPC offer nonprofits a means for technological positioning and "branding." An opportunity already exists for nonprofits to establish themselves at minimal cost and to leverage in-world resources and support as well as promote the social cause via marketing opportunities available in SL.

NetWorld re-published a Computerworld article in June 2008 in which it noted that "The real world and the virtual one – in which people represented as avatars can interact with others as well as virtual representations of real and imaginary objects – are beginning to blur in professional settings, as companies explore how virtual environments and technologies can bring value to their businesses."[39] One company interviewed noted that "… the real benefit wasn't the easy and cost-efficient dissemination of information – although that was important – but rather the camaraderie built by the [Second Life] event [making] us feel like one company, because everyone had a shared experience. It created a bond."

Accordingly, both research projections and active corporate, governmental entities and nonprofit organizations are finding that virtual worlds in general do offer some clear benefits for conducting business, particularly where far-flung activities (that are national or global in nature) are concerned.

There are ***multiple virtual worlds and conferencing or networking tools,*** however. The question then is, what is the optimal platform for establishing and operating one's nonprofit or business? The advantages of a 3D virtual platform versus free or low cost Web-based conferencing tools such as Skype, LiveOffice and others are that the

- Three-dimensional (3D) element makes the interaction more personal;

- Ability for multiple simultaneous modes of communications to take place (voice, group instant messaging, private IM, and group chat) provides a richer simultaneous interaction; and

- Mixed reality enables immersive learning and communication in ways not possible via two-dimensional and non-immersive Web-based tools.

Among the various 3D virtual platforms, the choice depends on the purpose and age group of the audience. For example, Second Life offers greater advantages for businesses, government agencies and nonprofits given the relatively realistic graphics, ability to manipulate the sense of scale and perspective, and in-world building and simulation capabilities, which are not yet demonstrated by or as robust in other, newer platforms such as Google Lively.

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[39] Computerworld (25 June 2008), "Have your avatar call my avatar: Doing business virtually," by Mary Pratt, available from
http://www.computerworld.com/action/article.do?command=viewArticleBasic&articleId=318544&intsrc=hm_list;
Internet accessed August 23, 2008.

2. Tap a New Medium to Reach Your Audience

As highlighted in *Findings*, nonprofits are reaching new or existing audiences via this virtual communication medium. "Meeting places and environments…in Second Life can be a valuable investment for a nonprofit, particularly if the acting organization identifies with a particular physical space (e.g., a country). But a good way to begin is to identify your audience within Second Life, find its leaders, and empower them to expand their group."[40] There are several ways a nonprofit can identify its audience in SL.

- Apply the approach of Contact a Family, using Second Life statistics as a rationale for targeting an audience in SL;

- Research audiences inside SL through the SL Groups search, classifieds, or nonprofit communities such as NPC and others (which is what most nonprofits are doing initially to explore audiences); and

- Find and draw audiences via dissemination and marketing of the cause in SL (attracting audiences), as Project Jason and Garden for the Missing have done.

Once a nonprofit identifies the relevant audience in SL, it is not difficult to connect with and reach those audiences via the in-world marketing and networking features of SL.

3. Focus on Cost Savings and Environmental Benefits versus Revenue

NetWorld noted that IBM ran a "training session for project managers using a virtual world built behind its own corporate firewall." While IBM did not conduct a formal return-on-investment study on the exercise, it "…still found that holding the exercise in a virtual world offered important benefits. For example…it clearly saved the company money [because] it was cheaper to build a virtual auto-assembly shop for training than to replicate one in real life. And there were no airline tickets, hotel bills or meal tabs for out-of-town attendees; everyone participated from their home offices."[41]

An April 2006 study by Britain's Open University, "Towards Sustainable Higher Education: Environmental Impacts of Campus-Based and Distance Higher Education Systems," found that on average, the production and provision of distance learning courses consumed nearly 90 percent less energy and produced 85 percent fewer CO^2 emissions per student than conventional campus-based university courses. The main savings were due to a reduction in the amount of student travel, economies of scale in the use of the campus site, and the elimination of much of the energy consumption of student housing. In other words, studying from home and using a home computer was far more energy efficient.[42]

U.S. Congressional Representative Edward Markey, in his presentation during the Bali Climate Conference in December 2007 noted that an avatar working via his/her PC for one year uses

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[40] Millions of Us BLOG, "Advice for non-profit organizations getting into Second Life," published October 12, 2007 by Lauren, available from http://millionsofus.com/blog/archives/353; Internet accessed August 23, 2008.
[41] Computerworld, "Have your avatar call my avatar: Doing business virtually."
[42] Learning Circuits, April 2006, "E-Learning = Environmental Learning," by Felicity Mulgan, available from http://www.learningcircuits.org/2006/April/mulgan.htm; Internet accessed August 23, 2008.

1.17 tons of CO^2, roughly equivalent to someone living in Brazil. In contrast, just one round-trip flight between Washington, DC and Bali generates emissions of 5.36 tons of CO^2.[43] That alone underscores the environmental benefits of conferences, meetings and training in SL.

The potential for virtual worlds such as Second Life to offer cost savings for nonprofits are already evident. While the future potential will undoubtedly be revenue generation (fundraising), presently the opportunity exists for nonprofits, whether local, regional, national or international, to reap cost savings and environmental good via a platform such as SL.

4.   Leverage In-World Resources and Volunteerism

Second Life offers a large base of individuals who are interested in and available to offer their time and expertise free of charge, particularly where nonprofit causes are concerned. As Benjamin Stokes of the MacArthur Foundation notes, "If you look at Second Life, it's filled with volunteers."[44] Rik Panganiban notes that "People are voluntarily spending hours in SL, [and] it does not take much effort to get people to volunteer to help...so [nonprofits] should be ready to put people to work".[45] Nonprofits considering SL need to be aware that these resources can be leveraged, and that it simply requires research and networking among the nonprofit communities to identify and leverage them.

5.   Promote For-Profit and Nonprofit Partnerships

The findings above presented examples of virtual world collaboration between for-profit businesses and nonprofit organizations. One example of this collaboration is ***originally based in real life.*** Cisco, via its Corporate Social Responsibility program, supports the award-winning Community Voicemail or (CVM) in real life but has expanded that collaboration into Second Life. Another example is ***originally based in Second Life*** with business (store) owners seeking to give back to the nonprofits they support (such as with Thely Anansi supporting Sustainable Harvest International and Ronnie Rhode supporting Project Jason as well as her own personal dedicated space for the Garden for the Missing). In both instances, the for-profit businesses are fundraising and providing support to these nonprofits. This collaboration indicates that the same and more is possible for other real-life businesses with Corporate Social Responsibility programs of their own as well as for virtual businesses to support and collaborate with nonprofits in Second Life both via fundraising in their stores and by providing their expertise and time. Both real-life and virtual businesses can further help nonprofits by co-producing or sponsoring fundraising and promotional events inside Second Life. This is already happening through fundraising auctions and prizes for promotional events, but represents a channel for greater for-profit and nonprofit collaboration and impact towards the social good.

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[43] OneWorld.net, "Congressman takes virtual, virtuous road to Bali," 23 July 2008, available from http://uk.oneworld.net/article/view/156100/1/; Internet accessed August 23, 2008.
[44] Global Kids, Inc., *Op.cit.*, p. 13.
[45] *Ibid.*

X. Conclusions and Recommendations

In summary, the wave of the future for reaching existing and new audiences and promoting nonprofit causes via virtual environments and cross-platform technologies is already upon us. There is already movement toward integrating SL with other platforms – open source technology (such as Microsoft's Open Simulator[46]), new hardware (such as mobile phones via IPTV platforms[47]), and proprietary technology and software, such as Skype[48] and MS Communicator.[49] With more than 100 nonprofits operating in Second Life alone, the nonprofits included in this study have established that there are tangible benefits by maintaining a presence in a virtual medium. These benefits are in 10 areas of direct relevance to nonprofits in achieving their missions and having impact on their causes.

The anecdotal experiences of the nonprofits presented above further describe how they have leveraged these benefits inside SL and continue exploring ways to improve upon them. Some features of virtual worlds enable rapid benefits such as the marketing tools available via the SL events and notices features. Other features such as fundraising and donation tools have yet to be fully leveraged, but may offer solutions via a change in public perception rather than in the actual tools themselves.

Nonprofits can use the information contained in this study to develop their own strategies. Such strategies might benefit from incorporating approaches that are targeted, clearly defined, short-term SL projects or campaigns that can maximize the success of their involvement in virtual worlds. The findings also suggest that nonprofits need to look at the entire "benefits package" of virtual environments, including not only the qualitative benefits for the cause, public and beneficiaries, and the potential organizational costs savings, even environmental benefits, versus simply fundraising objectives.

> *"[While]...all nonprofits need to consider the value of exploring and investing in a virtual nonprofit world when positioning themselves and planning for their future donor base, ..."each nonprofit should consider the challenges and opportunities that a 3D virtual world offers in determining how best to leverage this new mode of engagement."*

Each nonprofit should consider the challenges and opportunities that a 3D virtual world offers in determining how best to leverage this new mode of engagement. While the challenges are several, many of those issues can be overcome through a good understanding of what is possible and required to establish and maintain an effective presence inside SL, which this reports attempts to address. In addition, the opportunities underscore that technology is changing rapidly. The medium-term technological future, as pointed out by the Gartner Group

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[46] Microsoft Open Simulator Project, available from http://opensimulator.org/wiki/Main_Page; Internet accessed August 23, 2008.

[47] Comverse, "Comverse demos Second Life on mobile phones, by Adam Reuters, 8 February 2007, available from http://secondlife.reuters.com/stories/2007/02/08/comverse-demos-second-life-on-mobile-phones/; Internet accessed August 23, 2008.

[48] Second Life Blog "Embracing the Inevitable," Monday, January 8, 2007 at 4:15 a.m. by phoenixlinden; available from http://blog.secondlife.com/2007/01/08/embracing-the-inevitable/; Internet accessed August 23, 2008.

[49] Global Crossing, "Second chance for VON with Second Life" (Deisel's Blog), available from http://blogs.globalcrossing.com/VON-second-life; Internet accessed August 23, 2008.

and others, suggests that integrated platforms involving virtual worlds are the future. The new digital generations are already immersed in virtual technologies and as an audience have come to expect to be engaged via such a platform. Therefore, all nonprofits need to consider the value of exploring and investing in a virtual nonprofit world when positioning themselves and planning for their future donor base. While this study captures positive qualitative outcomes and provides a baseline for measuring relative impact and capturing one type of tangible output (funds raised to date), a more systematic approach to measuring tangible results would benefit NPC and other nonprofits inside SL to strengthen the rationale for their presence in SL. The nonprofit community inside virtual environments such as SL is growing rapidly, and so is quickly becoming a "place to be." Virtual worlds and the nonprofit communities within them offer a wealth of free technical, spatial (land), marketing, volunteer and other resources that nonprofits should consider when developing their rationale and plans for establishing a virtual presence.

Appendix A:

**Participating Nonprofit Commons (NPC)
Nonprofit Organizations**

1. **Bridges for Women:** http://www.bridgesforwomen.ca/index.html
   Contact: Buffy Bye (SL Avatar Name: Buffy Beale)

2. **Community Voicemail (CVM):** http://www.cvm.org
   Contact: Jessica Dally (SL Avatar Name: Kali Idziak)

3. **Contact a Family:** http://www.cafamily.org.uk/
   Contact: Louis Yung (SL Avatar Name: Advisor Somerflek)

4. **Giving Circles Network:** http://www.givingcirclesorg
   Contact: Sandra Bettger, Executive Director and Co-Founder (SL Avatar Name: Anika Pastorelli)

5. **Great Strides:** www.greatstrides.org
   Contact: Brad Lewis (SL Avatar Name: Veri Oddfellow)

6. **Kiva.org:** http://www.kiva.org
   Contact: Joe Alamo (SL Avatar Name: Skeeboo Tammas)

7. **Ophoenix:** http://www.ophoenix.org/
   Contact: Ron Siddell (SL Avatar Name: Buteo Ruttan)

8. **Preferred Family Healthcare (PFH):** http://www.pfh.org/
   Contact: Dick Dillon (SL Avatar Name: Coughran Mayo)

9. **Project Jason:** http://www.projectjason.org/SecondLife.html
   Contact: Kelly Jolkowski, President & Founder (SL Avatar Name: KellyJ Shepherd)

   and *SL Group* **Garden for the Missing:** http://www.gardenforthemissing.org/
   Contact: Denise Harrison (SL Avatar Name: Ronnie Rhode)

10. **Sustainable Harvest International:** http://www.sustainableharvest.org/
    Contact: Lisa Foulkes-Arnold (SL Avatar Name: Thely Anansi)

11. **Uptown Shelter**: http://www.uptownshelter.org/
    Contact: Steve Eyler (SL Avatar Name: Jarhead Euler)

12. **Virtual Ability:** http://www.virtualability.org/
    Contact: David Ludwig and Alice Krueger (SL Avatar Names: Pecos Kidd and Gentle Heron)

Appendix B:

RESEARCH DATA COMPILED

12 Nonprofit Organizations from Nonprofit Commons (NPC)

Tables 1 & 2: Numbers and Percentages of Nonprofits Experiencing Positive Benefit, by Area of Presence in Second Life (with 1 being highest)

TABLE 1: NONPROFIT RATING OF BENEFITS BY RELATIVE IMPACT LEVEL ON RL CAUSES
(Numbers of Nonprofits Selecting Impact Level for 10 Benefit Areas)

	1	2	3				4	5	6	7	8	9	10
Benefits:	Promote	Network	Educate				Media	Counsel	Mutual Spt	Empower	Engage	Fundraise	Mob Vol
			NP	Beneficiaries	Visitors	Experiential							
Impact Level:													
1	9	7	1	1	5			6	1	1	4	2	3
2		1	2	2	3	2	1	1	2	1	2	2	2
3	3	1	5	1	2					1		3	
4		1	1								1	1	
5		2	1	2		1	1			1	1	2	1
6											1		2
7						1				1			1
8									1	1			
9			1	1		1	4						
10						1	1	1		1		2	
N/A or 0			1	5	2	6	5	4	8	5	3		3
TOTAL	12	12	12	12	12	12	12	12	12	12	12	12	12
SOME KIND OF IMPACT	12	12	11	7	10	6	7	8	4	7	9	12	9

Source: GCN - Direct Interviews with 12 Nonprofits from Nonprofit Commons (NPC), July 20008.

TABLE 2: PERCENTAGE of NONPROFITS RATING BENEFITS BY RELATIVE IMPACT LEVEL ON RL CAUSES
(Percentage of Nonprofits Selecting Impact Level for 10 Benefit Areas)

	1	2	3				4	5	6	7	8	9	10
Benefit:	Promote	Network	Educate				Media	Counsel	Mutual Spt	Empower	Engage	Fundraise	Mob Vol
			NP	Beneficiaries	Visitors	Experiential							
Impact %													
1	75%	58%	8%	8%	42%	0%	0%	50%	8%	8%	33%	17%	25%
2	0%	8%	17%	17%	25%	17%	8%	8%	17%	8%	17%	17%	17%
3	25%	8%	42%	8%	17%	0%	0%	0%	0%	8%	0%	25%	0%
4	0%	8%	8%	0%	0%	0%	0%	0%	0%	0%	8%	8%	0%
5	0%	17%	8%	17%	0%	8%	8%	0%	0%	8%	17%	17%	8%
6	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	8%	0%	17%
7	0%	0%	0%	0%	0%	8%	0%	0%	0%	8%	0%	0%	8%
8	0%	0%	0%	0%	0%	0%	0%	0%	8%	8%	0%	0%	0%
9	0%	0%	8%	8%	0%	8%	33%	0%	0%	0%	0%	0%	0%
10	0%	0%	0%	0%	0%	8%	8%	8%	0%	8%	0%	17%	0%
N/A or 0	0%	0%	8%	42%	17%	50%	42%	33%	67%	42%	25%	0%	25%
TOTAL	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%
SOME KIND OF IMPACT	100%	100%	92%	58%	83%	50%	58%	67%	33%	58%	75%	100%	75%

Source: GCN - Direct Interviews with 12 Nonprofits from Nonprofit Commons (NPC), July 20008.

Table 3
Percent of Nonprofits Experiencing the Highest Level of Impact (1 or 2 on scale of 1 to 10, with 10 being highest) of Presence in Second Life on Real-World Mission, by Benefit Area

Promote	Educate	Network	Counsel	Engage	Mobilize Volunteers	Fundraise	Mutual Support	Empower	Media
75%	67%	67%	58%	50%	42%	33%	25%	17%	8%

Source: GCN, compiled data from Interview of 12 NPC nonprofit organizations, July 2008

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Appendix C:

Glossary of Terms & Acronyms

Avatar — A computer user's representation of himself/herself or alter ego…in the form of a three-dimensional model used in computer games [or virtual worlds].[50]

CSR — Corporate Social Responsibility (CSR) program, through which a company or corporation defines and demonstrates it responsibility to society by supporting the public good.

Digital Generation — The generation or generations that have grown up using digital medium, particularly three-dimensional medium.

Impact (Nonprofit) — Any nonprofit activity inside SL that has a positive influence on their core mission and cause in real life (i.e., outside of Second Life), as determined and defined by the nonprofit and resulting in some identifiable and "meaningful" outcome. See Section VI for additional information.

inSL — "In Second Life" logo (the official Second Life approved term and logo used by entities that have a presence in Second Life).

in world — Another term for operating, existing or taking place "inside Second Life".

IRL — In Real Life (IRL).

Lindens — The Second Life currency, for which the exchange rate is typically $265 Lindens to US$1.00. Second Life users engage in all transactions inside SL using this currency, and therefore can both buy and sell Lindens as well as convert them from or back into their country's currency.

Machinima — Term used for a Second Life video (filmed in part or its entirety inside Second Life).

MOODLE — Free software e-learning platform, also known as a Course Management System (CMS), or Learning Management Systems (LMS), or Virtual Learning Environment (VLE).

NPC — Nonprofit Commons (NPC).

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[50] Wikipedia: "Avatar (computing)" or "Virtual Avatar" available from; http://en.wikipedia.org/wiki/Virtual_avatar Internet accessed October 11, 2008.

Right-Click Wall	The pie chart that appears when they right click on an object in Second Life, giving the user action choices in SL, such as to Touch, Open and Take, Wear, Copy or Pay/Donate.
Sim	A virtual "island" property inside Second Life, which can be purchased (whole or in part), "developed" (modified in land form or shape) and "built up" with roads, buildings and other objects.
SL	Acronym for the Second Life virtual world.
SLOODLE	Tool that merges Second Life, with its virtual reality, and Moodle (see definition in this glossary), with its course management system. While early in development, this approach hints at new options for enabling learning in a social, immersive, and interactive way.
SLURL	Second life URL, which is the internet address of a virtual physical location inside Second Life, enabling a visitor to teleport to that location, once having clicked on the URL link and once logged into Second Life.
TechSoup.org	Managing organization of the Nonprofit (NPC) community, including its inside Second Life property, objects, permissions and activities as well as its real life activities and website, WIKI and Google group located at: http://www.nonprofitcommons.org).
Telepresence	A set of technologies which allow a person to feel as if they were present, to give the appearance that they were present, or to have an effect, at a location other than their true location.[51]
Virtual World	Computer-based simulated environment intended for its users to inhabit and interact via avatars as well as to manipulate elements of a modeled world.
WIKI	A page or collection of Web pages designed to enable anyone who accesses it to contribute or modify content, using a simplified markup language. Wikis are often used to create collaborative websites and to power community websites. The collaborative encyclopedia Wikipedia is one of the best-known wikis. Wikis are used in business to provide intranets and Knowledge Management systems.[52]

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[51] Wikipedia: "Telepresence," available from; http://en.wikipedia.org/wiki/Telepresence; Internet accessed October 11, 2008.
[52] Wikipedia: "WIKI," available from; http://en.wikipedia.org/wiki/WIKI; Internet accessed October 11, 2008.