The e-commerce experiment in the Personal agent-oriented virtual society "PAW^2", and its evaluation

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Problem institution

- In the real world, real things are sold.
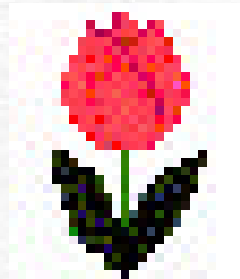 - Walkman AIBO HandyCam VAIO…

Problem institution

- Is it possible to sell "pure virtual object" (which is completely unrelated in real world) ?
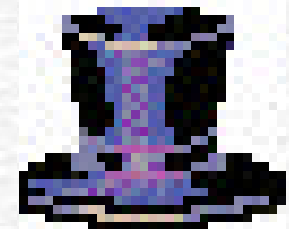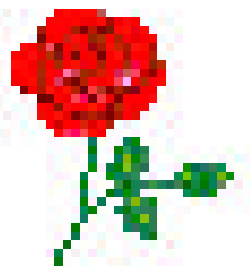
Guardan Jizo

Tulip

Digital Wooden Clogs

Morning glory

Silk hat

Strange Canned Food

Rose

So-net Hat

Magic Lamp

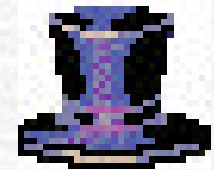In this experiment, "pure virtual object" is these <u>bitmaps</u>.

Hypothesis

- Hypothesis: Even if it is "pure virtual object", we can sell it by putting meaning within a particular context?

The actual proof experiment was conducted based on the hypothesis from the virtual social contents "PAW^2" in the Internet.

Silk hat

Guardian Jizo

Strange canned food

The history of a network service is still shallow. In addition, it does not fully inquire about the accounting method of service or contents in the network service.

It becomes more important feature still.

Virtual Society Project

- 1995-

- The research project about the shared virtual society over the Internet.

- Basic System: VRML97+Java+ multi-user extension
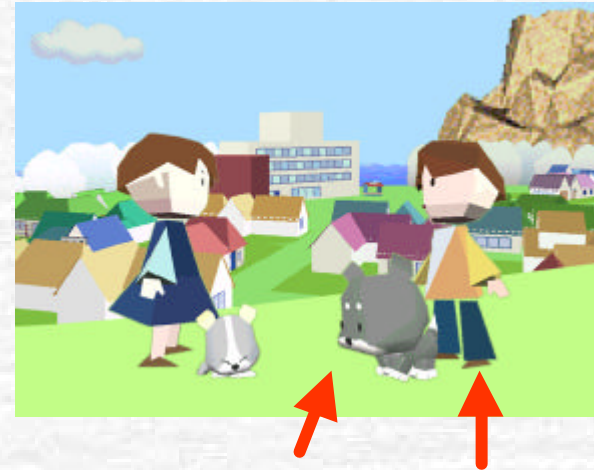
- Collaborative Shared Virtual Environment

  - Shared Avatar, Shared Object, Shared World

What's　　　 (Personal Agent World)?

3D Multi-user Shared World over the Internet

Personal Agent　　Internet user

- Basic design concept:
- Link between virtual world and real world
  - Introduction of personal agent
  - The world of feeling the wrench of parting
- The world of changing dynamically
  - Environmental change according to time (Change of a season and day and night shop…)
- Shared experience
  - Shared experience though game and event Construction of a sense of belonging

PAWworld (Bird's- eye view)

What's (Personal Agent World)?

- Pet (Personal Agent) and its owner (user)
    - Pet remembers and helps the owner.
    - Pet can communicate and play
      a simple game with the owner.
    - Pet is alive in PAW for 24 hour/day
    - E-mail from pet (Information sickness
      Lonesomeness…)
    - Pet always walks around the user
- Economic system (Virtual money Shop)
    - Virtual money *polygo*
    - Shop pet food, accessory and items
- Four seasons and sense of time
- Event hosting
    - Sowing of spring
      (A flower blooms in summer.)
    - Beckoning cat, Dharma practice…

I 'm glad for you to come

et's play game.

We will hold an event!

I miss you.

Four seasons in PAW

Screenshot of PAW

Avatar   **Personal Agent**   **Action Panel**

Control Panel   **View Window**   **Multiuser Window**

Current PAW^2's user profile

(About 2 years later from Service start)

Registered users	About 120,000 users
New users/day	150～200 users
Daily Access	Max 8,708 accesses (6～7000)
Unique user/day	Max 2,571users (Ave.2000users) 8,471 user/month
Simultaneous access	Max 632 users (Ave.400～500users)
Mean length of stay	1.5 hour/day
Access times/month	7 times

The "place" is created on the Internet.

E-commerce Experiment

- Accounting to the service in a network service.
  - Item sale (100yen　300yen/item)
    - Item: 32x32-dot bitmap data
  - Rental meeting room (300yen for 2 weeks)
    - 20 persons can talk simultaneously and their voice cannot be heard outside.
- Investigation term　5 Sept '99　20 Nov. '99 About 2 months
  - This corresponds in two years in PAW.
- The number of registration users in the term 80,019 users

- We used So-net's Smash system to collect money *via* Web page.

Selling on the web site

Context of each items

- **Item sales**
  - **Event Item**
  - **Function Item**
  - **Accessory**
  - **Flower**
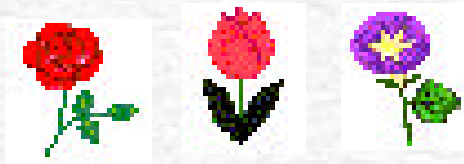
- Hereafter, what kind of context was added to each item is described.

Function items

The item which adds new function to agent

- Strange Canned food
  Function to change agent's color
- So-net hat
  Fortune-telling function
- Digital Wooden clogs
  Calculator function

Strange Canned food

Change Color!

Red!

Which color?

I became red.

ふつう　あお　みどりあお　みどり　まぜんた　あか　しろ　きいろ

So-net hat

Divine, please!

Birthday?

Today's score is 85.
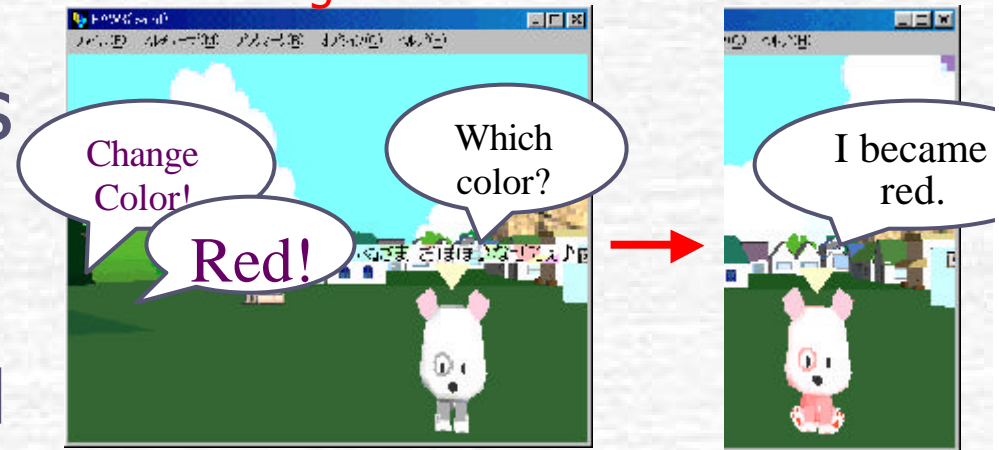
Accessory

- Accessories attached to avatar or agent.

Example of accessory

Accessory

- By using them with a (existing) function which changes avatar's color, it will become like the right figures (so-called "Costume play")

Event items

- The event (mini-game) is held periodically so that a user may not be bored or user's interest may not be lost.

- Magic Lamp(by Beckoning Cat.)
    - Beckoning cat will appear in PAW's summer.
        - When user clicks it, it will run away…
        - **"Come here!"**
        - The cat will give the lamp at the 30th times.
    - Effect: if had, agent will not become sick.

- Guardian Jizo
    - When user clicks it, it will say **"You need practice!"**
    - and then it will force the user to fly to somewhere in PAW.
    - User can get it at the 100th times.
    - Effect: If had, user can get the item which was not able to be gathered until now.

Magic Lamp

Guardian Jizo

Flower items

- Flower items
  - Spring event
  - In PAW, if it becomes in spring, the seed of a flower can be bought in a store and planted.
  - In summer, the flower blooms.

  - A seed is sown about 45000-50000 pieces every year, and 400-500 flower blooms.(1/100)

Flower items
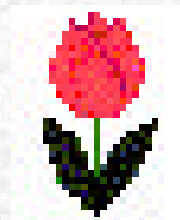
Tulip

Morning glory

Sales menu

- **Item sales**
  - **Event items(**2 kinds**)**
    - Price 300yen
    - The item which is hard to get in the event of PAW and has function.
  - **Function items(**7 kinds**)**
    - Price 300yen
    - The item which can add a function to an agent
  - **Accessory(**26 kinds**)**
    - Price 100yen
    - Accessories attached to avatar or an agent
  - **Flower items(**6 kinds**)**
    - Price:100yen
    - The item which can get in the event of PAW
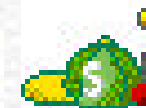
Experimental Results

Investigation term and target users
- 5. Sept '99   20 Nov. '99 About 2months   PAWs two years
- Registered users in the term 80,019users

The number of sale
- Total 7,616 items (104 item/day, 9.2 item/user

Total sales amount
- Total: 1,145,800yen(15,696yen/day, 1,393yen/user
- Max: 51,100yen

The number of buyers
- Total 1,958user(26.8user/day), 832user(unique user)
- More than 10% of the active user
  - Registered users(80,019 users) Active user(8000users)

Number of buyers, sales and total sales amount

Number of buyers for each item

Item	Number
Function Item	676
Accessory	572
Event Item	338
Flower	193

(Scale: 0, 100, 200, 300, 400, 500, 600, 700, 800)

Sales number

Accessory
26種類
44%(3337個)

Event Item
2種類
7%(552個)

Flower
6種類
9%(665)

Function Item
7種類
40%(3062個)

Total sales amount

Flower
6種類
6%(6.65万円)

Event Item
2種類
14%(16.56万円)
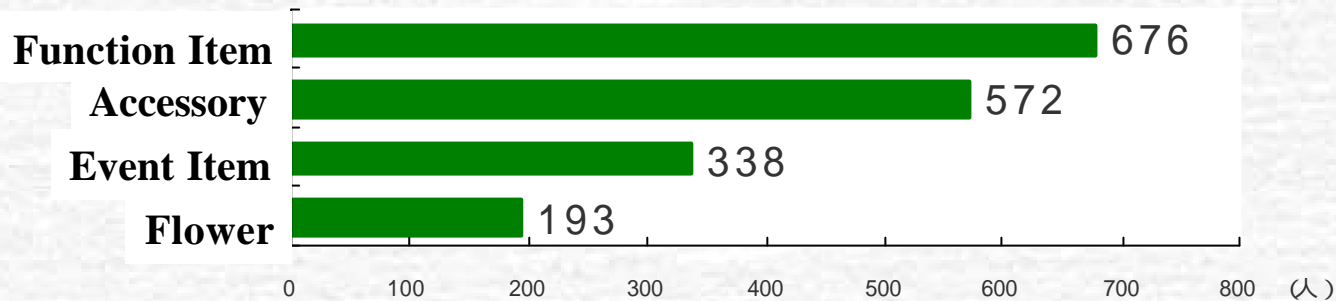
Function Item
7種類
51%(58万円)
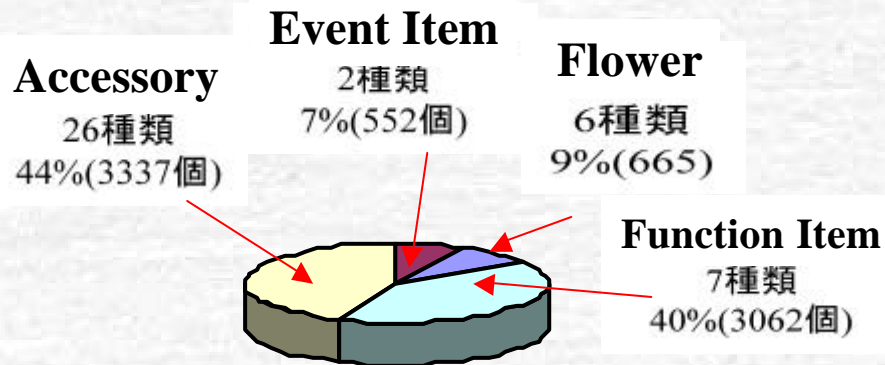
Accessory
26種類
29%(33.37万円)
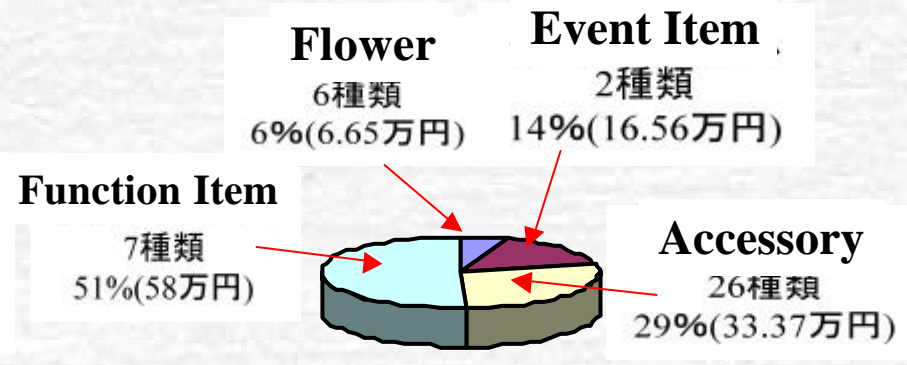
The accessories of an avatar and the functional addition to an agent had an effect in sales.

Best 10 of total sales amount and sales number

Sales amount

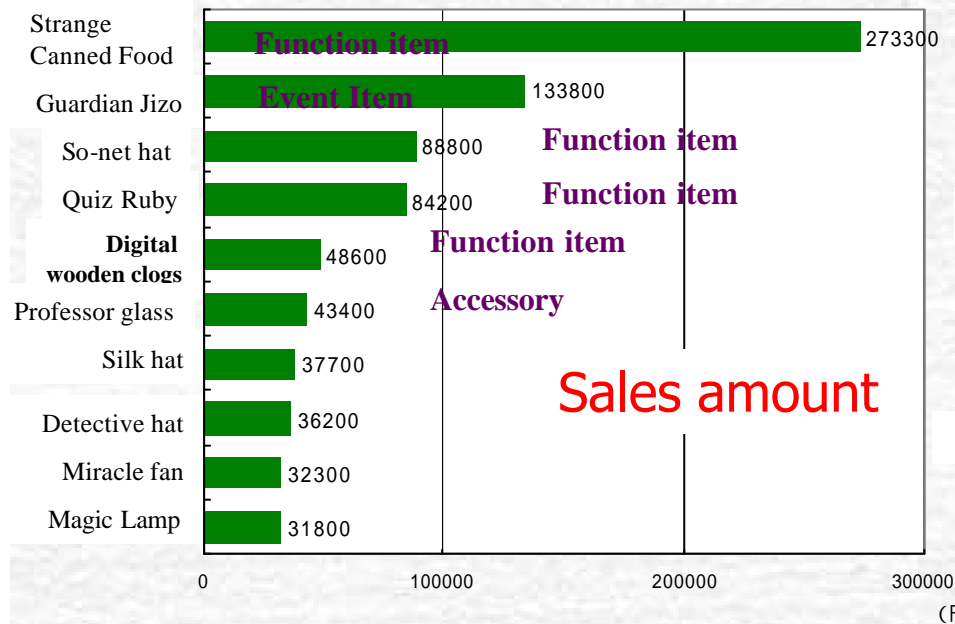| Item		Value
Strange Canned Food	**Function item**	273300
Guardian Jizo	**Event Item**	133800
So-net hat	**Function item**	88800
Quiz Ruby	**Function item**	84200
Digital wooden clogs	**Function item**	48600
Professor glass	**Accessory**	43400
Silk hat		37700
Detective hat		36200
Miracle fan		32300
Magic Lamp		31800

0   100000   200000   300000

Number of sale

Item		Value
Strange Canned Food	**Function item**	911
Quiz Ruby	**Function item**	842
Guardian Jizo	**Event item**	446
Professor glass	**Accessory**	434
Silk hat	**Accessory**	377
Detective hat		362
Miracle fan		323
Quiz Sapphire		304
So-net hat		296
Bellflower		243

0   200   400   600   800   1000

- **The best sold item**
  Strange Canned Food
  - Function to change agent's color
  - Adding Function to Agent & Appearance change
- **Guardian Jizo**
  - The difficulty of acquisition the item in an event was connected with purchase.
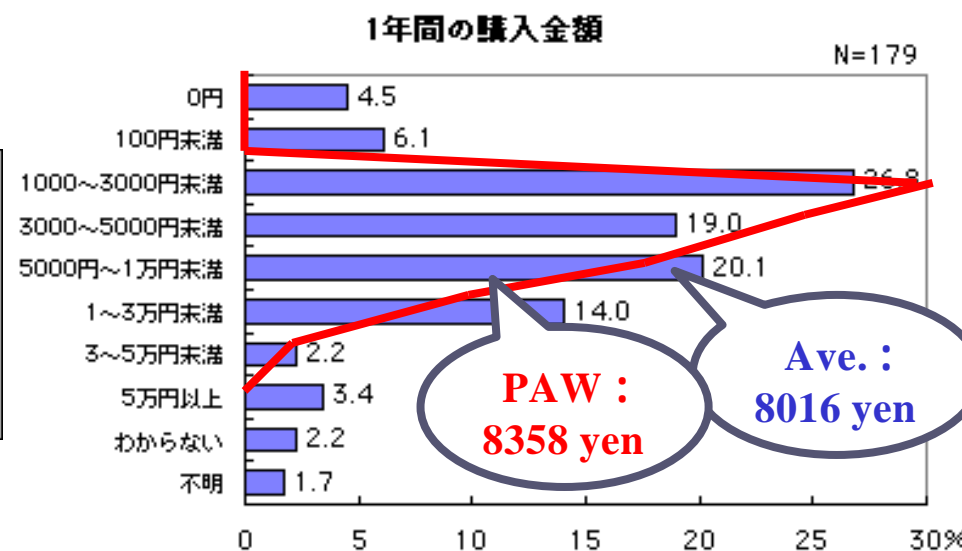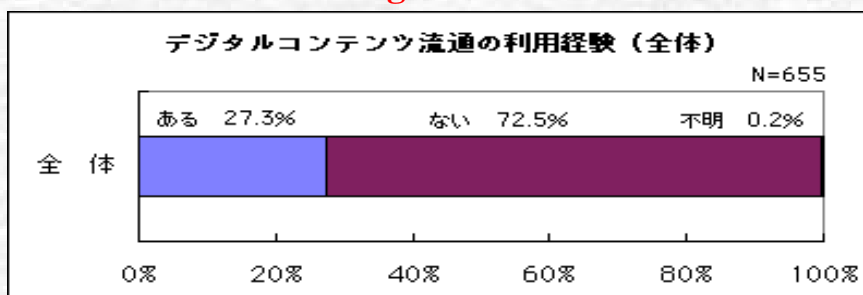
Strange Canned Food

Guardian Jizo

Comparison with digital contents circulation

- **Results of an investigation about digital contents circulation in Japan**
- Investigation term 1. Dec. 97　18. Jan. 98, InfoCom Research Inc.
- Respondents 680users Effective replies 655users)
  - The person using digital contents circulation is 27.3%
  - A male use ratio is high (especially, 20 years-old male 43.8　30 years-old male 45.0))
  - "News flash", "Software purchase", "e-m

The number of digital contents users

デジタルコンテンツ流通の利用経験（全体）
N=655

全　体　ある 27.3%　　ない 72.5%　　不明 0.2%

0%　20%　40%　60%　80%　100%

10　PAW　N　8000

1年間の購入金額
N=179

0円	4.5
100円未満	6.1
1000〜3000円未満	26.8
3000〜5000円未満	19.0
5000円〜1万円未満	20.1
1〜3万円未満	14.0
3〜5万円未満	2.2
5万円以上	3.4
わからない	2.2
不明	1.7

0　5　10　15　20　25　30%

PAW 8358 yen

Ave. 8016 yen

The purchase amount of money for one year

http://www.commerce.or.jp/minfo/enq/report11/dcon1.html

Future works

- ## Sales method
  - This experiment: Purchase from Web
  - Introduction of the new
    "Virtual-Society-oriented" sales method
    - On the spot selling
    - One To One marketing

- ## Payment method
  - Since "Smash system" was used, it has been extracted only to the user who can use a credit card.
  - There was much voice which desires a cash basis.(20　)

- ## Analysis of user's purchase behavior
  - A life cycle, the selling tendency of an item and correlation
  - A share of the business model with a user.

This will be good.^-^)/

The price of this item is 300 yen. Do you want to buy?

OK   CANCEL

Summary

- Accounting system about service and contents in a network service, and user's purchase behavior are evaluated within PAW.

- Even if it is "pure virtual object" (*which is completely unrelated in real world*), it can make a selling like *real products* by putting context in a "virtual society".

- "*Another market*" can be created in addition to the real world.

The 21st century is the century to sell

Thank you for your time!