From the cradle to the cash register: Interactive online environments

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Two success stories from the turn of the century are the Sims game, in which users create and run the lives of surrogate individuals in their computers, and broadband internet connections. Put them together and you have something bigger and better than both of them -- an interactive online environment. This is easier to demonstrate than describe, but imagine a version of the Sims where each character is created and controlled by a different person; where the user is no longer God but just one actor among many, with little more control over what goes on than we have in the real world outside the game. Imagine, in particular, a world where you can meet and engage with people who share your ideals and interests, wherever in physical space they happen to be. This is an Interactive Online Environment, or IOE, for short.

Simple IOEs include text-based chat rooms and basic gaming servers for playing simple board or card games over the internet. Electronic chess and draughts have been with us for a long time. Microsoft was an early pioneer of multi-player card games, with a version of Hearts built into Windows 95. However, the arrival of broadband has made it possible to do much more. In this article I will look at three OIEs: Neopets, a closely controlled environment for children; City of Heroes from PlayNC, a gaming environment aimed at teenagers and young adults; and Second Life, a "serious" OIE with its own economy, where users can actually set up shops and sell their services in return for real money.

NEOPETS: BEGINNERS START HERE

My son discovered Neopets (http://www.neopets.com) in 2000, at the age of ten and, in a sense, they grew up together. My daughter, now the same age, is starting to grow out of it. Neopets is aimed at a fairly specific group: literate, computer-savvy children aged between about six and eleven. It is free to use and funded by relatively unobtrusive advertising.

Neopets aims to create a self-contained world -- Neopia -- which kids can safely explore. The central metaphor and the name derive from the Neopets themselves, imaginary animal species with names like Jubjub, Aysha and Blumaroo. New users adopt up to four of these pets and become responsible for their upkeep. They need to be fed, played with, and nursed when they are sick, but -- unlike real pets and Tamagochi -- they never die. Pets can fight each other in an arena and the winner gains Neopoints. Starting as a subsidiary interest, Neopoints have by now become the main theme of the Neopets site.

In Neopia, Neopoints take the place of money. Users can win Neopoints by playing games, or by buying imaginary items (which exist only as pictures) for low prices and selling them for high. Items include food, toys and medicine for one's Neopets, as well as goods of purely nominal value, such as musical instruments. Not all items are available in the shops all the time, so a scarcity factor comes into play; this also encourages users to set up their own shops, where they can sell items that aren't currently available through the "official" system. A Neopian learns very quickly that an item's value is not intrinsic, but depends on what other people are prepared to pay.

In fact, Neopia is a great place to learn basic economics. There is a Neopian Bank, which pays a desultory interest rate, a Neopian Stock Exchange, where the returns are higher but the risks are greater, and a Neopian Auction House, where users can bid, eBay-style, for items on sale. There are even Neopian burglars, who will occasionally make off with Neopoints that are not in the bank but are sitting around unused. Other "educational" activities include learning to draw Neopets and entering competitions with sponsored prizes.

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FIGURE 1   Neopets, at http://www.neopets.com
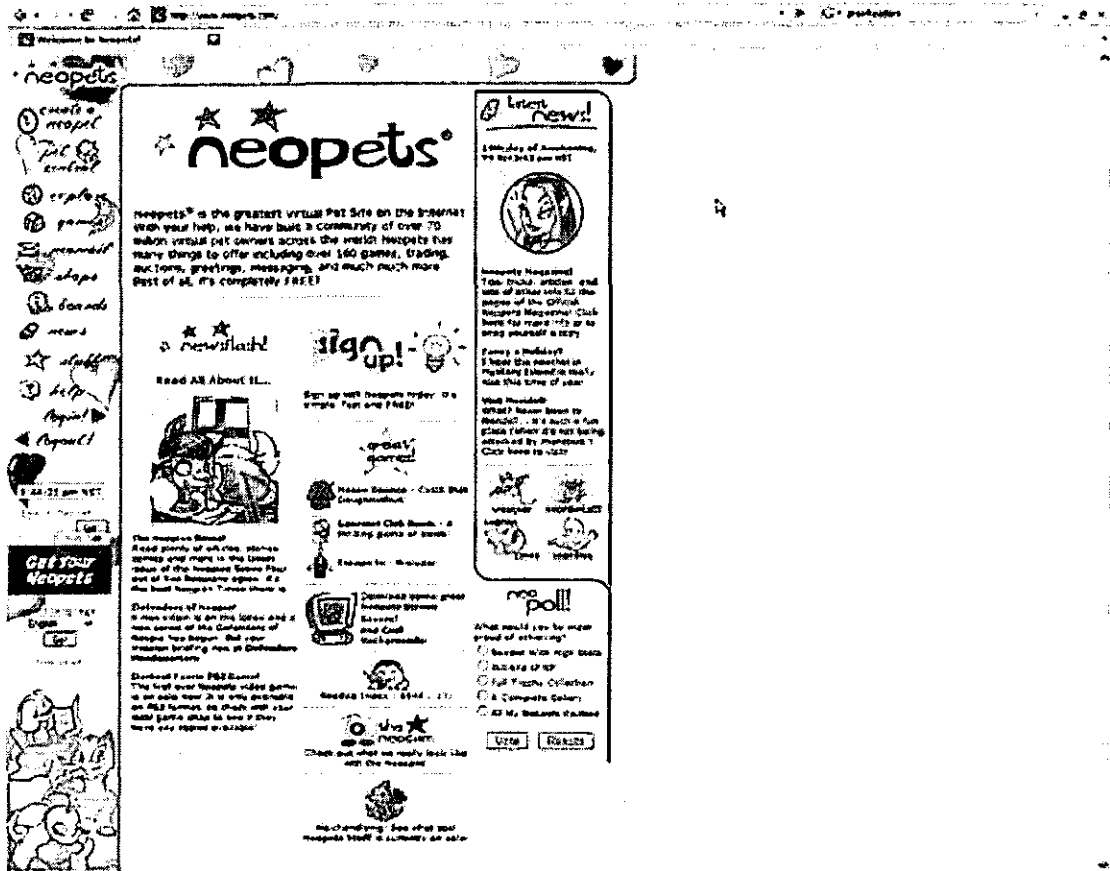
On the entertainment side there are games in categories, which include Board Games, Puzzles, Card Games and Games of Chance. These usually start with simple tasks and increase in difficulty, with the player taking away a certain number of Neopoints, depending on how far they get. Most are well-designed and simple for young users to get the hang of. The games usually require Flash or Shockwave to be installed in your browser, and take thirty seconds or so to download over a broadband connection.

For communication between members there is an email system, bulletin boards, and a "newspaper", which is constantly updated with fresh information, including stories, articles, and pictures from young users. These can later go into Neopedia, an online reference work. Text on the site is pitched at the jolly holiday-camp level and is generally fairly well edited, though common errors like missing apostrophes sometimes make an appearance.

The site is funded from a variety of sources. Paid advertising on many of the pages probably provides most of the revenue, although users can hide most of this by installing AdBlock or a similar add-on to their browser. New users can sign up to receive advertising mail-outs, although this is optional. Merchandising spin-offs sold through the site include: board games, video console games, plush toys, t-shirts, and a magazine. There have been no problems with unsolicited mail that I know of.

Neopets has entertained my children for many hours and hopefully taught them something too. If you can put up with the American-style captions and can-do attitude, it is certainly worth a look.

CITY OF HEROES: A MMORPG FOR THE YOUNG AT HEART

Neopets, founded in late 1999, predates the massive spread of broadband internet access. City of Heroes, founded in 2004, is squarely in the middle of it. City of Heroes is one of a dozen or so Massive Multiuser Online Role Playing Games – MMORPGs, for those in the know – which have attracted hundreds of thousands, if not millions, of users. The prime example is World of Warcraft, which currently holds over half the market, but City of Heroes, from PlayNC, and its companion product City of Villains, between them claim about 160,000 users or about 1.3% of the market. (See http://www.mmogchart.com/ for a detailed comparison of game statistics.)

MMORPGs all have certain things in common. They are set in an imaginary universe which exists in great visual and auditory detail and, although this universe has limits, it usually takes a lot of exploring to reach them. The game's designers may occasionally add to or change these; for instance, in City of Heroes new areas are opened up and the level of opposition may change to accommodate new levels of hero.

The games all have a back-story, often supplemented with material, such as online histories or comic books, which allows new users to find out what they can expect in working their way through the game.

FIGURE 2   City of Heroes, at PlayNC (http://www.plaync.com)
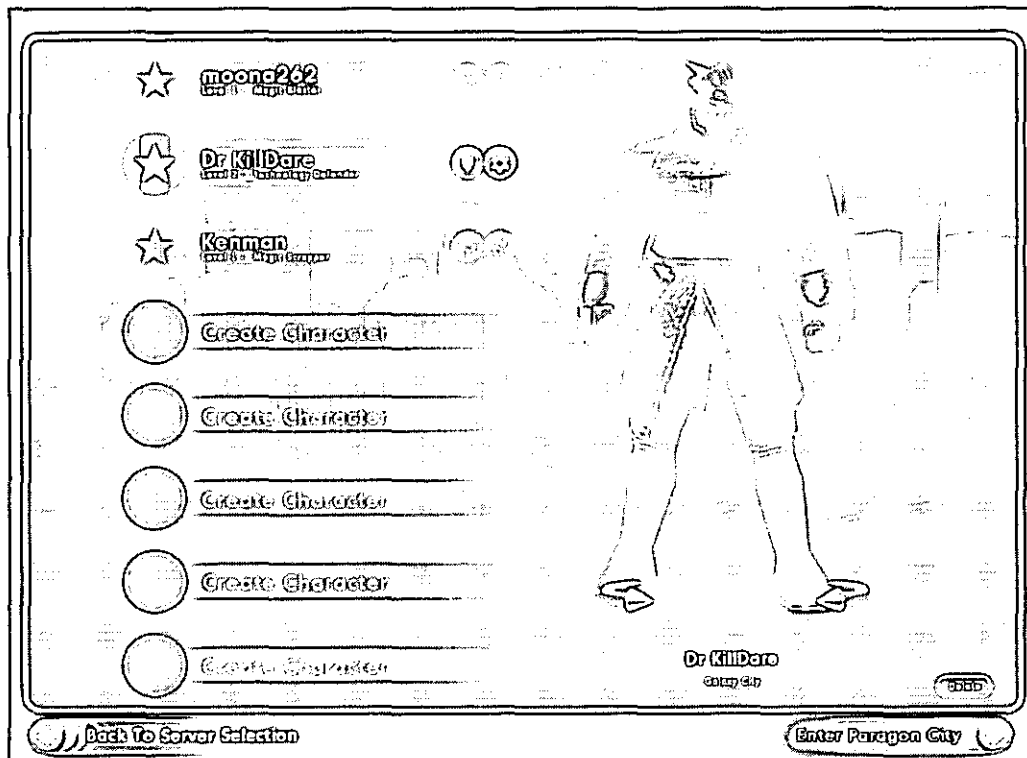
The individual player is represented in the game by an animated character, or "avatar", whose activities he or she controls. The user can see through the avatar's eyes, but it's usually easier to stand a little way back behind and above the avatar to keep track of its movements, like a puppeteer controlling a puppet. The avatars are detailed and complex and creation is a prolonged and creative process -- in fact my daughter enjoys creating the characters far more than she does actually playing the game! Progress in the game involves "levelling up" the avatar; as it completes more and more successful missions it acquires more powers and can compete at a higher level.

However, what really defines an MMORPG is that, to get very far with it you have to interact with other players. In City of Heroes the interaction is fairly simple; you form teams of heroes who, ideally, encompass a wide range of powers. Tankers and blasters physically smash the enemy; commanders direct attacks; healers repair and even resurrect heroes who sustain too much damage. Players quickly learn that good teamwork is the key to success.

Economics in most MMORPG is fairly basic. Avatars don't need to eat, sleep or pay rent. They may buy items like weapons or clothes and their income accrues automatically as they carry out the tasks allotted to them.

City of Heroes can be obtained as a two-DVD set or in a combined package with the companion product, City of Villains. Running the game also requires a hefty download to bring your PC up to date with recent changes; for those without cable connections this is an overnight job.

Teams in City of Heroes tend to be transient, coming together for a few missions then breaking up again. Communication is through typed messages and usually fairly lightweight, although the better teams tend to communicate more. The idea is to have a good time, although even here the players can build up a certain sympathy with their avatar; "dying" in a particularly brutal assault can definitely leave a player feeling low. My experience of playing City of Heroes peaked during the first month when level-ups came fairly fast and there were lots of new powers to explore; by the middle of the second month some monotony had set in. However, at $40 for the (discounted) game and subscription, it was excellent value.

The next game – if that is the right word – re-introduces the financial level and actually simulates a viable real-world economy; this is Second Life.

SECOND LIFE: A VIRTUAL ECONOMY

Large-scale MMORPGs, such as World of Warcraft, allow their users to win items – jewels, swords, shields and so on – which can then be traded for virtual money with other players. Soon after the game was started, enterprising veterans began advertising their items on sites like eBay, where novice players could buy them for real cash. The real money would change hands in the real world, and the players would meet in the online world and hand over the imaginary item.

Perhaps inspired by this, Linden Lab in San Francisco began, in 2003, to offer users the chance to create more than just an avatar online. Second Life (http://secondlife.com) is an interactive environment where the emphasis is on co-existence and trade rather than combat and teamwork. Using the 3D construction tools provided within the system, users can build virtual houses, libraries, hospitals or hangars and equip them with vehicles, games and entertainment devices. Musicians have given concerts in Second Life by performing into a microphone, while a technician directs the movements of their avatar.

Second Life has attracted a lot of attention from economists, because the creators have made the Second Life currency, Linden Dollars (L$), convertible to real cash. Linden Dollars can be bought from or redeemed with Linden Lab at a conversion rate of about L$270 to $US1, but some are given away free to keep the economy moving. Most new arrivals start with a small amount – more if you provide your PayPal details – and receive a weekly stipend. Users with paid accounts get more. The trick is to create things that you can sell in order to earn your own. Successful sellers can cash in their Linden Dollars for real ones and – in theory – end up rich. The pure intrinsic value of items that are beautiful, entertaining, or convenient in the online world can be precisely weighed in cold hard cash.

In November 2006 Second Life produced its own millionaire. Ailin Graef, in Frankfurt, accumulated the equivalent of more than a million US dollars by buying, developing and selling Second Life property. Ms Graef was aided in her task by a hired team of Chinese workers who logged on to Second Life and put in the manual labour – lift that mouse! push that key! – required. Other smaller systems are now working along the same lines, including the Swedish Entropia Universe. Second Life is a relatively small download – 23Mb against 1.5Gb plus for City of Heroes – and it shows. On my reasonably up-to-date PC with an ADSL connection, the graphics were blocky and crude and the avatar responds jerkily to one's keyboard instructions and mouse movements. The

graphic objects built by users in the game have a cardboard cutout look which can be attractive but would never convince anyone of their reality. Sounds were muted. Adding to the sense of unreality are the Alice-in-Wonderland type labels appearing on walls, floors and objects – "Click me", "Press here". City of Heroes, by contrast, is much more detailed and realistic – but City of Heroes is a permanent structure, while Second Life is being built and taken apart, piece by piece, like an anthill, by its owners.

My immediate curiosity about Second Life was satisfied with a very short browse. However, accounts are free and presumably last forever, so I may go back later and have a second look. Exploring it with online friends would probably be a more rewarding activity, but at the moment Second Life is not a patch on the first one.