

Facebook Is the Real Target of Google's Virtual World

Stephen Prentice

Google's three-dimensional virtual world system Lively does not seek to be another Second Life. Gartner believes its primary purpose is to lure social network users away from Facebook and MySpace.

NEWS ANALYSIS

Event

On 8 July 2008, after 18 months of rumors about a virtual world from Google being tried out at Arizona State University, Google unveiled Lively, a social networking offering.

Analysis

The creation of a virtual world by the most dominant presence on the Internet validates the concept and suggests it is here to stay. Google's Lively offers social networking with a visual flavor: a three-dimensional social networking "chat room" environment that more closely resembles the graphical instant messaging client IMVU than it does a full-blown virtual world like Second Life.

Rather than creating a contiguous environment focused on user-created content, Lively creates a multitude of virtual rooms (each with a unique URL and a limit of 20 avatars) and enables users to embed personalized virtual rooms into Web pages. Lively also offers good integration with social networks like Facebook, Web media, Google gadgets and platforms such as Open Social. As a browser plug-in (for now, only for Firefox and Internet Explorer on Windows XP/Vista), the 9MB download builds on G-Talk and the simple user interface minimizes barriers to entry, which will likely encourage casual use. However, options for avatar customization are limited and user-created content development is lacking. Instead, users customize their rooms by adding objects from a library. The lack of a currency or an in-world economy — an important element of virtual worlds — could limit the opportunities for engagement.

Lively slots into the low end of the spectrum of virtual world offerings, between two-dimensional social networking sites like Facebook and MySpace, and the teenager-oriented social networking virtual worlds of Habbo Hotel, IMVU and even Club Penguin. Gartner expects Lively to be a formidable competitor to all of these sites, though Google's offering breaks little new ground in virtual worlds. We believe this could mark the start of a transition to a new kind of three-dimensional social Web. Nevertheless, it is too early to predict whether Lively will gain market traction. The ease of integration with social networks would appear to make access easy, but this sector focuses as much on people and communities as it does on technology. To succeed, Lively must build a substantial and loyal user base by enticing millions of users (and their friends) away from their current haunts. That will pose challenges even for a company with Google's reputation and resources.

RECOMMENDATIONS

- **Enterprises:** Lively is primarily a consumer play. Monitor its ongoing evolution to track interest levels and usage, which will suggest how businesses may eventually benefit from its capabilities.

RECOMMENDED READING

- "How to Justify Enterprise Investment in Virtual Worlds" — Enterprises that invest in virtual worlds can benefit from enhanced social interactions, increased innovation and a heightened competitive advantages. **By Steve Prentice**

- "Dataquest Insight: Consumer Social Networks, A Fact-Based Reality Check" — Gartner's consumer segmentation model provides new insights into the use and attraction of social networking services. **By Nick Ingelbrecht and Julia Lin**

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