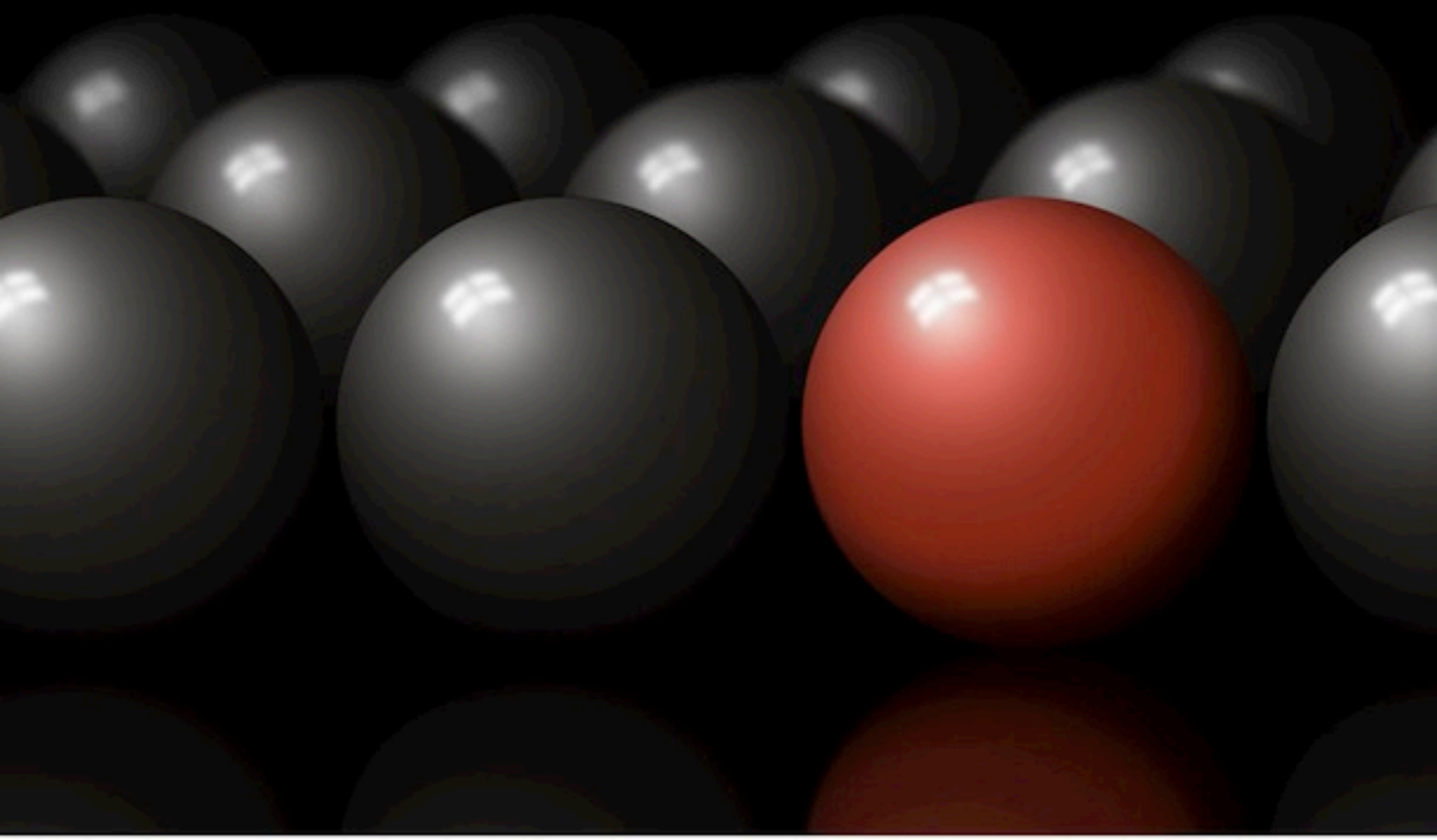


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Virtual nation branding: the Swedish embassy in Second Life

By Stina Bengtsson, Centre for Baltic and East European Studies (CBEES) at Södertörn University College, Sweden

Abstract

In this article I will present and discuss the Swedish virtual embassy as a new example of nation branding. By exploring the development of the Swedish embassy in Second Life, activities arranged by and involving the virtual embassy as well as the surrounding discourse of international mainstream media and people engaged in the development of Second Life, I will analyse the significance of the virtual environment in this virtual nation-branding project. I argue that the most important achievement of the Swedish virtual embassy was reached through the connection with the virtual environment in the coverage of traditional international mass media and that the key dimension, although not the only one, of the virtual world in branding Sweden was to serve as a fresh and influential brand signifier within the marketing project.

Keywords: Sweden; Second Life; Marketing

Virtual nation branding: the Swedish embassy in Second Life

By Stina Bengtsson, Centre for Baltic and East European Studies (CBEES) at Södertörn University College, Sweden

In early 2007, Sweden became the first nation ever to declare in the international media that they were planning to build a virtual embassy, situated in the massively multiple online world Second Life. Although the Maldives managed to rush past Sweden in May 2007 and inaugurate their Second Life embassy a week ahead of Sweden, the Swedish Institute, the public agency that governs the Swedish virtual embassy, sometimes still uses the brand slogan “the world’s first virtual embassy” as Sweden were conceptually first.¹ Although governments in cyberspace can no longer be considered a new phenomenon (Tumber and Bromley, 1998), virtual worlds are a relatively new arena for public agencies of all kinds and in all types of tasks. In this article I will present and discuss the Swedish virtual embassy as an example of nation branding. By exploring the development of the Swedish embassy in Second Life, activities arranged by and involving the virtual embassy as well as the surrounding discourse of international mainstream media and people engaged in the development of Second Life, I will analyse the significance of the virtual environment in this virtual nation-branding project. I argue that the most important achievement of the Swedish virtual embassy was reached through the connection with the virtual environment in the coverage of traditional international mass media and that the key dimension, although not the only one, of the virtual world in branding Sweden was to serve as a fresh and influential brand signifier within the marketing project. Although the learning dimension of being inside the virtual world is also regarded as valuable by the Swedish Institute the embassy project would still have been a success, as claimed by one of the project collaborators², if it had been closed down the day after its opening.

¹ Interview with Karl Peterson, project leader at the Swedish Institute, November 9th 2009.

² Johan Hedberg, head of PR bureau Early October, which staffed the Second House of Sweden for a period of time, interview November 18th 2009.



Figure 1. Desk of Second House of Sweden in Second Life

The decision to create a virtual embassy in Second Life was made in early 2007 at the Swedish Institute in Stockholm, a public agency working to increase worldwide interest in Sweden. The construction of the embassy was collaboration between Swedish PR bureau Söderhavet, US media bureau Electric Sheep and the Swedish Institute. The work was done very intensively during spring 2007, since the embassy's inauguration had been planned for late May 2007. One of the founding ideas of the project was to make a virtual copy of the real-life Swedish embassy in Washington DC, USA, the *House of Sweden*, which had been inaugurated only a year earlier. The House of Sweden in Washington was designed by distinguished Swedish architect Gert Wingårdh and is regarded in Swedish diplomatic circles as an extraordinary building with an almost iconic status. In the Swedish foreign agencies the Washington embassy was also considered very successful, serving more as a vivid cultural centre than simply an office for public diplomacy. The Swedish Institute calls the virtual embassy the *Second House of Sweden*. Electric Sheep constructed the virtual building, and Söderhavet secured the communicated "Swedishness" in the environment and interior design.

The virtual embassy is decorated with furniture from the Swedish company IKEA, and on the rooftop café visitors can “try” typical Swedish food and download the recipes.



Figure 2. The Second House of Sweden in Second Life

On May 30th the embassy was inaugurated, and the avatar of Swedish Minister of Foreign Affairs Carl Bildt cut the ribbon in Second Life³. Staff were present on a regular basis for almost two years, although they successively decreased in quantity during this period of time. Today the embassy is still open to visitors although it is unattended, and today it is mainly used for arrangements made by members of the Swedish community in Second Life⁴. The Swedish Institute has decided to maintain the virtual embassy in this low-intensity state as long as costs stay relatively low and it can be useful to others.

Notes on methods

The materials used for this article are of three main types. The first is material supplied by the Swedish Institute, consisting mainly of information used in the branding campaign primarily aimed at the media: press releases, FAQs, all found on a blog that the Swedish Institute has maintained throughout the embassy project (www.secondhouseofsweden.com). I have also conducted interviews with representatives of the Swedish Institute and the responsible

³ The inauguration of the Second House of Sweden can be seen on YouTube: <http://www.youtube.com/watch?v=q26jvt2rPZY>.

⁴ Such as celebrating national feasts, monitoring the Stockholm Pride Festival, or highlighting the US presidential election.

copywriter at PR bureau Söderhavet, who ensured the communicated Swedishness in the project, as well as the head of PR bureau Pretores Laboratory AB/Early October, which for a period of time was hired by the Swedish Institute to staff the embassy. Part of this material is also a Swedish TV documentary focusing mostly on the work done by Söderhavet, which, together with the US Company Electric Sheep, executed the project. I have also considered the aesthetics and functions of the virtual building itself.

Secondly, I have looked at how the Swedish community in Second Life received and reacted to the virtual embassy. Several members of the Swedish community in Second Life wrote blogs that offered important information, and I have read Second Life magazines as well as spoken to avatars in Second Life about the embassy project.

Thirdly, I took into account the national and international media coverage of the Swedish virtual embassy. The embassy project naturally received massive attention in national Swedish news, but “the world’s first virtual embassy” was of interest to national media in as widespread cultures as India, Germany, the US, the UK, France and South Africa. A majority of these articles are still available on the web, but I have also been able to look at an analysis of the international media coverage by media analysis bureau Cicion (www.cicion.com), ordered by the Swedish Institute.

Targeting the “progressives”: nation branding online

The Swedish Institute, which initiated and administrates the Swedish embassy in Second Life, is a public agency that “promotes interest in Sweden abroad”. Under the headline *Communication* on the institute’s website (www.si.se), the goal of the organization is described in the following terms:

“The Swedish Institute’s work with Sweden’s image and its activities in international development cooperation go hand in hand. The institute’s overarching goal is to create mutual relationships with other countries around the world, whether the issue is culture, politics, trade, or development cooperation. However, in order to achieve this goal, awareness of and interest in Sweden must first increase.”

The Swedish Institute has loose connections with the Swedish Ministry of Foreign Affairs and other agencies that work more explicitly with public diplomacy, business relations and

cultural exchange. Although regularly involved in projects concerning culture, technology and business, the overarching purpose of the Swedish Institute is promotion. It is an agency continuously involved in nation branding.

Nations constructing themselves is nothing new, and nationalist movements as a phenomenon can be traced back to the 18th and 19th centuries and the heyday of nationalism. Before digital media and web 2.0 technologies, world exhibitions and the mass media were more common arenas for nationalist projects (cf. Anderson, 1991). Today, nations work with new arenas such as entertainment shows and social media. One example of this is Estonia, a former Soviet republic that has worked hard on its rebranding during the past ten years in forums such as the Eurovision Song Contest, held in Estonia in 2002, but is also present in other social media such as Facebook and Twitter (Ericson 2002, Jansen, 2008). Nation branding has not only emerged as a more common phenomenon during recent decades, with Tony Blair's Cool Britannia campaign of the late 1990s as one well-known example; it is also using new arenas (cf. Morgan et al. 2004, Bolin and Ståhlberg 2010). Bolin and Ståhlberg, in an analysis of nation-branding projects in Estonia and India, highlight four fundamental dimensions that distinguish modern nation branding from former nationalist movements (2010). Firstly, modern nation branding is oriented towards the market rather than politics. Earlier nationalist efforts strived to gather a nation and unify social solidarity, whereas the main purpose of nation branding today is to attract investors, invite tourists and draw capital to the branded country. Secondly, and accordingly, the nation-branding projects are aimed at audiences abroad rather than to the national public. Thirdly, and in opposition to former movements, they do not aim at constructing a distinctive character. Current nation-branding efforts rather point at similarities and parallels between the branded nation and the surrounding world. And fourthly, unlike the old nationalist movements, they do not look back at history and a traditional nationalist identity. Instead they head towards the future, pointing at the promising times to come for the branded nation (Ibid).

For the Swedish Institute, this market orientation in the branding project is visible in the task of creating relations with other agents (nations, institutions, individuals) around the world. The target audience is common to all members of the large communication platform that the Swedish Institute shares with the public agencies for Sweden abroad (Swedish embassies (in the actual world, or RL), the Swedish Ministry of Foreign Affairs, Visit Sweden, the Invest in Sweden Agency and the Swedish Trade Council), although some minor differences exist

between the above institutions. In comparison to the large communication platform of all public agencies Karl Peterson, one of two project leaders for the Swedish embassy in Second Life, describes the target audience of the Swedish Institute as:

“More narrow, an audience that can be summarized by the word ‘progressive’. People that are supposed to be open for the message that we want to get out.” (Interview with Karl Peterson, November 9th 2009, originally in Swedish)

He further describes that their entire audience is a broader group that they hope to reach through getting in touch with this narrow but influential core, their focal audience, first.

The virtual embassy can be regarded as one, and the most extreme, end of a continuum of communication efforts run by the Swedish Institute, whereby exhibitions and ordinary printed papers represent the other end and the different websites define the middle. The audience of the embassy project can thus be regarded as the most progressive of the progressive audiences of the Swedish Institute. As the temporal link of modern nation branding is the future (Bolin and Ståhlberg 2010), this progressive audience was presumably regarded as a group with connections to the future. But where is this audience actually located? The embassy project worked with two separate audience groups: participants in Second Life and the more ordinary media audience in the actual world, or RL. Quite early in the virtual embassy’s history, the Swedish Institute held meetings with (Swedish) natives in the online world to create good relations and determine that their presence in Second Life was not offensive to anyone. In an article from January 25th 2007 in *Dagens Nyheter*, Sweden’s largest daily newspaper, Olle Wästberg, head of the Swedish Institute, talked about Second Life participants in the following terms:

“There are so many inhabitants, or participants, from groups that we, as well as others, have problems reaching: younger, well educated and a bit front edge. People who are flooded with information about everything.”⁵

Nevertheless the audience in the actual world, who were supposed to read about the virtual embassy in the newspaper or watch a news item on television, turned out to be the most

⁵ <http://www.dn.se/kultur-noje/svensk-ambassad-i-second-life-1.442651>. Originally in Swedish.

important audience, connected to what Karl Peterson calls the “press value”. Mattias Svensson, copywriter and – in his own words – responsible for the “creative heights” of the Second House of Sweden, reasoned as follows about the people who were addressed:

Interviewer: (...) were the receivers...how were you thinking? Did you think that the receivers were the people in Second Life or did you think that the receivers were those who read newspapers around the world? And in Sweden, of course.

Mattias Svensson: Twofold really. I believe that we understood from the start that this was a pure PR project, although our focus lay on those who were supposed to visit the sim, I mean the place, the embassy. But perhaps even more, not the people inside Second Life, I mean the nerds or whatever you call them. But perhaps, I think we thought even more “now a lot of people will come into Second Life, what if they can enter it by way of Sweden”. I mean, I almost think they were our primary target group, really, come to think of it...we put quite some effort into teaching, we had an entire island for newcomers who had never been in Second Life before. A kind of training ground, really. (Interview with Mattias Svensson, February 9th 2010, originally in Swedish)

According to the logic of modern nation branding, the most important target group for the Swedish Institute are non-Swedes. Communicating Swedishness to Swedes can have cultural and political values but lacks the explicit economic dimensions that constitute nation branding today. Here, the branding project relates differently to the two different audiences. In relation to the media coverage in national and international news, the Swedish Institute regards the virtual embassy as one of its most successful projects ever. The media coverage analysis conducted by media analysis bureau Cision (www.cision.com) shows that countries all over the world reported about and commented on the opening of the virtual embassy in mass media as well as blogs, and that less than 1% of the media reports were negative regarding Sweden and the Institute. In the initial phase of the project, Linden Lab, the company that owns and governs the virtual world, also chose the Swedish embassy sim as one of eight landing areas in Second Life.⁶ This meant that many new visitors to Second Life

⁶ According to Erik Lidsheim, head of web bureau Söderhavet, which cooperated with the Swedish Institute on building the virtual embassy. Quoted in the documentary film *Nästan en ambassad (Almost an embassy)*,

automatically visited the Swedish virtual embassy, something that greatly improved statistics on foreign visitors and made the project even more successful. During the initial phase, many new visitors therefore had their first Second Life experience in (virtual) Sweden. This kind of intervention in the creation of status of different users in virtual worlds is what Humphreys (2008) calls publisher governance. Boellstorff (2008:210) and others have also argued that publishers of virtual worlds use the free labour of the (already paying) participants to gradually develop and improve the world they are managing. Paying tribute in this way to the Swedish government in Second Life is not only a way to profit on labour already paid for by the Swedish agency but is also a way to promote the virtual world to new visitors by showing of some of its more spectacular – and serious – users, garnering attention to the virtual world in mainstream media as well as building good relations with important participants in the virtual world, such as public agencies.

Due to a number of reasons, the number of non-Swedes visiting the embassy gradually decreased. After a time, it ceased to be one of the official landing areas in Second Life and new visitors therefore dropped down into the online world elsewhere. Many of the active Second Life participants had also already visited the virtual embassy and the in-world news value naturally faded, and the media in the actual world, or RL, looked elsewhere in search for newer news. Thus, visitors to the Second House of Sweden gradually turned into a group of people who generally differed from the rather narrow target audience of progressive non-Swedes that the Swedish Institute highlights as their main audience. They also differed from the media audience around the world who learned about the virtual embassy from their mainstream media. Karl Peterson suggested the fact that the number of Swedes had increased in relation to non-Swedish visitors at the virtual embassy as one part of the decision to cut down on the number of activities. Especially at the end of the project period, the number of Swedes was significantly greater than that of non-Swedes, although there had always been many Swedes among the visitors, curious about “what Sweden had been up to this time”⁷. According to Karl Peterson, the Swedish Institute had the Swedish community in Second Life in mind when planning the embassy, although they were never the project’s primary audience.

broadcast on Swedish public service station SVT1 on Monday December 15th 2008, also available at <http://super16.se/video/NEA/NEA.html>.

⁷ Interview with Karl Peterson, November 9th 2009.

Interviewer: Considering the target audience, or the people addressed in Second Life...who were they really?

Karl Peterson: Well, we really didn't know. And no one even knows for sure today. During this process we have, and you must remember that we didn't have that much time to really plan this, but we decided from the beginning that we will do this, and we will do it on terms...we do not want to get on the wrong side of the natives in Second Life. There was already some kind of natives in there. And we didn't want to get on the wrong side of the Swedish community that was already there by then. Since Second Life had already developed to the extent that there was a rather large community in there. That's sort of what we knew." (Interview with Karl Peterson, November 9th 2009, originally in Swedish)

Collaborating, and building friendly relations, with the Swedish participants in Second Life was therefore important from the beginning. Nevertheless, meeting Swedes in Second Life was obviously not the primary objective of the virtual embassy.

The news is out – the Swedish embassy and the Second Life media hype

Around the new year 2007 someone at the Swedish Institute – no one really knows exactly who – got the idea that Sweden should open a virtual embassy in Second Life based upon the Swedish embassy, the House of Sweden, in Washington DC, USA. Technology magazines and computer websites as well as the international news media had been reporting on the virtual world for quite a long time, since the beginning of Second Life in 2003. According to Kücklich (2009), the international media hype over Second Life started in the summer of 2006, and it was fairly the same in Swedish national media. Shortly after the Swedish Institute had started to discuss the project, the best mistake (and they assure that it truly was a mistake) that could have ever been made happened: it leaked to the media. Someone working at the Swedish Institute forwarded the virtual embassy plans to the largest Swedish daily, *Dagens Nyheter*, and on January 25th 2007 the news was out in Sweden. Which international media conglomerate followed next is a bit hard to figure out, but during the ensuing days the rumour about the Swedish virtual embassy in Second Life sped around the world in disparate news contexts, of which the following are just a few examples:

Date	News agency
January 25 th 2007	<i>Dagens Nyheter</i> (Sweden)
January 26 th 2007	<i>Agence France Press</i> (France), <i>The Local</i> (News about Sweden in English), <i>Metro</i> (UK), <i>The Sydney Morning Herald</i> (Australia), <i>Ars Technica</i> (USA), <i>Fox News</i> (USA)
January 27 th 2007	<i>BBC News</i> (UK)
January 29 th 2007	<i>India eNews</i> (www.indiaenews.com) (India), <i>Der Spiegel Online</i> (www.spiegel.de) (Germany), <i>BusinessReport</i> (South Africa)
January 30 th 2007	<i>Washington Post</i> (USA)

Karl Peterson at the Swedish Institute tells that at this time, planning had not yet started and the project group now had busy days. At the same time they really wanted to ride on the news wave, and the planning phase was very much worked out in relation to the ongoing media coverage since the head of the Swedish Institute, Olle Wästberg, was smart enough to deliver the news piece by piece to make sure that the media's interest would not fade during the building phase of the virtual embassy.

“Well, it was more or less decided that we should do this, but nothing was clear. When I started in February it was like ‘now we’re in a hurry’, sort of to get all the agreements even. To solve the legal aspects and to get started with the work itself. And Olle (Wästberg) already sat on all these (television) morning sofas and talked about it. And it could be sort of that he said something on the morning sofa and we got the information afterwards and it was like ‘okay, so now let’s...’. He didn’t really make things up, all new things, but it could be something we had discussed earlier. We even said, I remember, that we shouldn’t share our plans with Olle, that we’d keep them to ourselves, because otherwise there was a risk that he’d tell about them [to the media]. And of course he didn’t just happen to say it; but he’s a really skilful strategist, so he let bits and pieces out of our plans at the best occasions. And then we got stressed and ‘okay, now we really have to do this too’. So we were pushed by this dynamic, it took on its own dynamic. We were also pushed by the hype, of course.”
(Interview with Karl Peterson, November 9th 2009, originally in Swedish)

Thus, the piece of news about the Swedish virtual embassy was strategically planted with the mainstream media in mind. Another dimension that increased international interest in the project was when Swedish Minister of Foreign Affairs Carl Bildt, commented on the virtual embassy in his blog. Bildt, who was Prime Minister of Sweden in the early 1990s, made history when, in 1994, he became the first statesman in the world to communicate by e-mail, with then American president Bill Clinton. Bildt was also early to adopt the blog as a forum for politicians to communicate with the public, turning his newsletter into a blog and regularly blogging since February 2005 ([www.http://carlbildt.wordpress.com/](http://carlbildt.wordpress.com/)). Bildt continued the digital communication among statesmen, writing in his blog on January 30th 2007:

“Well done Olle Wästberg!

I see on the *BBC News* that Olle Wästberg at the Swedish Institute is now opening a Swedish virtual embassy in Second Life. Well, it is actually the Minister of Foreign Affairs that is responsible for opening embassies, but in this case I give Olle the go-ahead for the project. Second Life is an exciting development of virtual worlds. A country that wants to show that it at least has the ambition to be on the front line must of course be there. Then I can only hope that Olle Wästberg invites me to the opening of the Swedish embassy to the future.” (Originally in Swedish)

And Olle Wästberg soon commented on Carl Bildt’s blog:

“Carl Bildt, or more correct, his avatar, is the natural inaugurator. Great!” (Originally in Swedish)

This skilful working with the media maintained media interest during the entire work process of building the embassy until its opening in late May 2007. Although the Maldives managed to open their virtual embassy in Second Life one week before Sweden, there was massive media interest surrounding the inauguration of the Swedish virtual embassy that took place in Second Life and in the actual world, or RL, at the same time, and many of the news items about the opening showed pictures of the avatar of Carl Bildt.

Running the virtual embassy

For the Swedish Institute, interaction with the world press took a great deal of energy at the time of the inauguration and in the weeks that followed. Then the everyday life of the virtual world began, a phase they had not had much time to think about during the intensive period of building.

“When we worked, and it was pretty intense at the end, we worked and we had to finish it and there was a date set and we had a press conference with just so many people...so it was really a lot of pressure. And when it was over we felt more or less okay (...) then we suddenly sat there and said “okay, now we have to run this...”. (Interview with Karl Peterson, November 9th 2009, originally in Swedish).

The day after inauguration day, the headline on the virtual embassy blog read “Launched. What now?” (www.secondhouseofsweden.com). The embassy was now there and had to be filled with something. Karl Peterson points out four goals that the Swedish Institute has had in mind when working with, and summarizing, the virtual embassy. The first goal was to strengthen Swedish public relations with progressive media audiences around the world. The second was to communicate with the early adopters within Second Life. The third was to offer a platform for others who wanted to experiment in Second Life but did not have the skills or the stage to operate from. The last goal, a more internal one, was to learn about the technology, how the virtual environment works and what can be done with it.

Shortly after the opening of the virtual embassy, members of the embassy project at the Swedish Institute tried to keep the embassy staffed as much as possible. Staff was needed to answer questions about Sweden, Second Life and the Houses of Sweden (embassy buildings in Second Life and in Washington DC), and about the current exhibitions at the Second House of Sweden. For a while the embassy project leaders managed to administrate the embassy themselves and with help from trainees at the Swedish Institute, but it soon became obvious that they needed proper opening hours, which were therefore established. The opening hours were related to both Swedish time (Greenwich Mean Time plus one) and Second Life and Californian time (Greenwich Mean Time minus eight). This meant that the embassy was open during the day according to Swedish time and also for a few hours late at night (22-24) to adjust to visitors from other real life countries. Opening hours were kept for

almost two years, although the length of opening time diminished successively during that time. For around a year in the middle, the Swedish Institute paid Swedish PR bureau Preatores Laboratory AB (who later changed their name to Early October) to staff the embassy during the opening hours since the Swedish Institute could not manage to staff it themselves.

For slightly more than a year the Swedish Institute arranged events at the Second House of Sweden, in collaboration with other parties or in their own regime. Many different projects took place during this period. At the time of the inauguration there was an exhibition on Raoul Wallenberg, a Swedish diplomat and hero during the Second World War who saved many Jews from the Nazi concentration camps and who was later captured by the Soviet army and left to die in the Gulag. This exhibition was held in collaboration with the Jewish Museum in Stockholm, Sweden, and the Open Archive in Budapest, Hungary. Among the projects run solely by the Swedish Institute were a few short film festivals for Swedish and Indonesian films, a streamed version of a Swedish pop concert in Brazil, an exhibition on Swedish biologist Carl Linneaus and an exhibition on virtuality, presented together with Swedish embassies in Washington (the original House of Sweden) and Tokyo. For a period of time, Swedish lessons for beginners were also held at the Second House of Sweden. Some projects were also done in collaboration with others, using the virtual environment to present exhibitions, send conferences and manifest happenings (such as World Book Day together with the public libraries in Stockholm, or a gallery talk with the National Museum of Sweden). Successively, more and more collaborations were also done with the Swedish community in Second Life. Since there was already an established Swedish community in Second Life at the time of the inauguration, meetings were held with them in the early phase of the embassy period to make sure that members of the community felt at ease with the presence of the public agency. The community had long been active in organizing events, for example celebrating Swedish national holidays. Despite the meetings with representatives of the Swedish community in Second Life, there was a dispute between the Swedish embassy and parts of the Swedish community in December 2007. Some members of the Second Life group Swedish People in Second Life planned to organize a traditional Swedish Lucia Feast (as they had done the year before), when the Swedish Institute heard about it and wanted to copy the event. In the Swedish Second Life magazine *Slainthe*, no. 9/2007 (<http://xroad.co.uk/Slainthe.htm>), the Lucia Feast was commented on as follows:

“An infected quarrel has taken place behind the scenes of one of this year’s most successful events: the Swedish Lucia celebration. It all started when a group of Swedish avatars got together to arrange “the People’s Lucia”. A non-commercial ballyhoo putting forward a typical Swedish tradition. Last year, Tina PetGirl Bergman who also this year was one of the prominent figures, arranged the first Second Life Lucia procession. She borrowed the Swedish Resource Centre’s sim since she regarded it as important that no commercial interests were involved as the purpose of the event was to raise money for the Swedish Red Cross. Advertising was done in several places in Second Life and in different Second Life magazines to draw attention to the event.

Everything went well until the Swedish Institute, which manages the Swedish embassy, wanted to have a Lucia celebration of their own, which would automatically steal attention from the volunteers who had worked without payment to arrange the People’s Lucia. Of course no one can hold a patent on a Lucia celebration in Second Life, but according to custom no public agency should get a free ride on idealistic forces that have worked hard for the publicity of the Swedish arrangement.

Soon, the people at the Swedish Institute realized their faux pas, apologized to all involved, and dropped their plans.” (<http://xroad.co.uk/Slainthe.htm>, originally in Swedish)

In the same magazine, one of the arrangers of the People’s Lucia (Tina PetGirl Bergman, mentioned in the above quote) also commented on the quarrel, the presence of the Swedish Institute in Second Life, and the staffing of the embassy by Early October:

“Well, it is not easy and we can all have good and bad days, but ethics and morals should not disappear just because you feel bad or happen to be a company present in Second Life, should it? A Second Life that nowadays has been invaded by companies and entrepreneurs, institutions and those who want to be rich (as quick as possible), which has changed the entire scene if you ask me.”

(...)

“Second Life must change, but should we really work in SL for SL money when we are creating with our bodies and minds in RL, should we really staff reception desks and get 75 crowns an hour (approx 12 US dollars, according to currencies in April 2011), when multilingual skills are required – a salary that the Trade Union considers appropriate for 15-year-olds who work during their holidays and also get vacation pay, insurance and taxes on top...”

(Avatar Tina PetGirl Bergman, founder of the group Swedish People in Second Life in a column in Swedish Second Life magazine Slainthe, no. 9/2007 (<http://xroad.co.uk/Slainthe.htm>, originally in Swedish.)

The following year, 2008, relations between the Swedish Institute and the Swedish community in Second Life had improved, and the Swedish National Day (June 6th) as well as the Stockholm Pride Festival in August and the traditional Lucia Feast in December were arranged by the two groups in collaboration. A few very active avatars in the Swedish community also collaborated with the Swedish Institute to arrange events at the time of the 2008 US election, Valentine’s Day and traditional Swedish feasts such as the Midsummer celebration in late June. After the second half of 2008 the official arrangements and collaborations with other parties decreased successively, and since then the members of the Swedish Community in Second Life are the only ones who use the virtual embassy for their events and happenings.

Below is a list of all events held at the Second House of Sweden from Launch Day in May 2007 to December 2009. All information about the events and happenings comes from the Second House of Sweden blog (www.secondhouseofsweden.com) and other blogs about Swedish Second Life (e.g. <http://tinasuniversum.blogspot.com/>).

Year and Date	Event	Organizer
2007		
May 30	Launch day Wallenberg Exhibition	Swedish Institute (SI), Jewish Museum, Open Archive in Budapest
Aug 22	National Museum Gallery talk	National Museum and SI
Sept 21	Invasão Sueca: Swedish pop concert	SI

	streamed live from Brazil	
Sept 25	National Museum Gallery talk	Swedish National Museum and SI
Sept 28	<i>Open Skies, Open Minds</i> , short film	SI
Oct 2	Swedish lessons for beginners	SI
Oct 9	Swedish lessons for beginners	SI
Oct 22	Swedish lessons for beginners	SI
Nov 2	Exhibition on Swedish scientist Carl Linnaeus	SI
Nov 5	Swedish lessons for beginners	SI
Nov 22-23	Short Film Festival	SI
2008		
Jan 8-March 16	VirtuReal, Exhibition	SI
March 18	Two Indonesian short films	SI
Apr 23	World Book Day	SI and public libraries
June 6	Swedish National Day	SI and Swedish community in SL
June 18	Multilingual Literary Language Café	SI and Stockholm Public Library
July 25-Aug 3	Stockholm Pride Festival	SI and Swedish community in SL
Sept 5	Streaming the eLearning 2.0 Conference	SI and SAIS ⁸
Sept 26	European Language Day	SI and LiteraTour in Library 2.0
Nov 4	Follow the US election	Swedish community in SL
Dec 4-Jan14	VirtuReal goes Tokyo	SI
Dec 13	Swedish Lucia celebration	Swedish community in SL
2009		
Feb 14	Valentine's Day	Swedish community in SL
June 19	Midsummer celebration	Swedish community in SL

⁸ The Swedish Association for Information Specialists.



Figure 3. Lucia celebration at the Second House of Sweden, December 2008.

The Swedish embassy and the Second Life media hype

As Falkheimer (2006) points out, place branding is not a culturally isolated phenomenon but instead interacts with surrounding discourses, for example the mass media. The logic of news is as predictable as it is merciless. The constant and collectively organized hunt for news and the new also rapidly creates the old and old-fashioned. In 2007, when the news about the Second House of Sweden flew around the world, Second Life was most often mentioned in very positive terms. Although sometimes referred to in terms as a “fantasy world” (in *The Sydney Morning Herald* January 27th 2007⁹), the international news discourse surrounding the Swedish virtual embassy focused largely on the size of the world when it comes to number of participants together with the presence of companies, institutions, churches, banks, etc. The future of the online world was mentioned in positive terms, and Second Life was described as “popular” and “rapidly growing” (Swedish *Dagens Nyheter* January 25th)¹⁰, and

⁹ <http://news.smh.com.au/technology/sweden-leads-the-way-for-embassies-in-virtual-world-second-life-20070531-ftl.html>.

¹⁰ <http://www.dn.se/kultur-noje/svensk-ambassad-i-second-life-1.442651>.

“a huge hit” (German *Der Spiegel Online* January 30th 2007)¹¹. US media company Electric Sheep, which constructed the three-dimensional embassy for the Swedish Institute, wrote in their information material from early 2007 that “We believe Second Life is following an adoption curve like that of the Web or cell phones, and will hit 100M accounts by the end of 2009.”

Although the number of participants in Second Life has been constantly growing since 2007, the media coverage of the virtual world has both decreased and changed its tone. Karl Peterson at the Swedish Institute jokingly refers to Second Life as the “Vietnam of our times”: everyone was there but no one wants to talk about it. In November 2009, the BBC’s website had a large article about the virtual world, wondering what happened to it all and trying to explain why Second Life has become such an immense failure:

“Not long ago Second Life was everywhere, with businesses opening branches and bands playing gigs in this virtual world. Today you’d be forgiven for asking if it’s still going.”¹²

Nevertheless, at the Swedish Institute the virtual embassy is still referred to as (one of) the most successful branding projects ever, considering the large number of positive articles and news features in mainstream media and blogs around the world. At the same time, Karl Peterson at the Swedish Institute states that the second goal of the Second House of Sweden project – reaching out to a progressive audience of early adopters *inside* Second Life – today seems to be the greatest failure of the project:

”But, if you’re looking at it in retrospect I guess you can say that Second Life has had a somewhat different progression than what was expected by everybody at the time. And if you were to say today that they [participants in Second Life] were modern, people would almost laugh ... But you have to remember that it was all different then. And it comes back when people are talking about Second Life today; for many people it has been kind of a disappointment, many companies that joined and so on. For us it is absolutely the opposite. We joined at exactly the perfect time.” (Karl Peterson, November 9th 2009, originally in Swedish)

¹¹ <http://www.spiegel.de/international/0,1518,463073,00.html>.

¹² http://news.bbc.co.uk/2/hi/uk_news/magazine/8367957.stm.

But even if the Second House of Sweden project was successful, especially regarding the massive and positive coverage in the international mainstream media during mid-2007, the changing discourse of Second Life is regarded as a potential problem in the continuing process of branding Sweden.

“Well, I can really honestly say that there is not much that we feel went wrong. It is probably mainly if people feel that Second Life is kind of awkward today and if they associate the Swedish Institute with Second Life and consider it outdated. Simply that we did it, so to speak, although at the time most people found it really exciting. So that’s one negative aspect of it then, that the whole phenomenon has dropped that much. That’s the only negative thing.” (Karl Peterson, November 9th 2009, originally in Swedish).

Surfing, and being part of, the media hype of 2006-2007 was profitable in many ways for the Swedish Institute. The international media coverage was immense, and the Second House of Sweden is regarded in many ways as the Institute’s most successful project ever. Still, when the media discourse changed, association with the virtual world could be considered a drawback for the Swedish Institute.

The significance of “the virtual” in virtual nation branding

What is the virtual? Well, it depends whether you ask individual participants in virtual cultures or institutions joining virtual worlds for specific purposes. Jakobsson and Pargman (2009) argue that the idea of a magic circle of virtual worlds and computer games is exaggerated, and that for many users, engagement in virtual worlds is an everyday life activity, just like many other hobbies. Governments acting in virtual worlds also highlight the fact that the hole in the membrane of virtual worlds and the boundaries of their magic circles are gradually loosening up (cf. Castronova 2005:147ff). Stepping in and out of the virtual world was something new to the Swedish Institute as a public agency, and the process and consequences of their interference in the virtual world were not entirely predictable from the start. A few general statements can be made when summarizing the “world’s first virtual embassy”. Firstly: that the project was immensely successful for the Swedish Institute regarding attention and media coverage worldwide. The Swedish Institute regards the virtual

embassy as its most successful project ever, referring to the press value created by the attention from mainstream media and blogs around the world. Secondly: that the Swedish Institute, although fully aware of its existence, had not in the initial phase fully realized the significance of Second Life already having a vivid (Swedish) community and that the members of this culture, although avatars, were real people with minds and feelings like everyone else. And thirdly: that organizing activities within Second Life was successively less interesting for the Swedish Institute as foreign visitors visited the embassy less frequently, leaving only the Swedish community at the Second House of Sweden, and as the mainstream media turned their eyes elsewhere.

So, what do these conclusions mean for the significance of the virtual world in this nation-branding project? Returning to the four dimensions of current nation branding discussed above, all of these are relevant for the Swedish embassy in Second Life. The dimensions are: 1) Orientation to the market rather than political ideology; 2) Directed at audiences abroad rather than a national public; 3) A highlighting of similarities between the branded nation and the surrounding world, rather than stressing national specificity; and 4) Connection to the future, rather than emphasizing history and the glorious past (Bolin and Ståhlberg, 2010). The Swedish virtual embassy project highlights the significance of the virtual world in branding a nation, and sheds light on the four dimensions of this virtual branding campaign. Firstly, there is an obvious economic dimension to it. Although the economic side of the project is not visible in its four stated goals as defined by the Swedish Institute, it is still present in the evaluation of the PR part of it, attaching to an economic logic rather than political ideology. Its success is measured in PR terms and the number and tone of the press clips worldwide are transformed into sheer economic value. It is also obvious that, when the Swedish Institute points to the great success of the project, they are referring to the immense media coverage worldwide and the number of news items and articles.

Regarding the target audience of the project, the Swedish Institute declare on their website that their goal is to create relations with countries around the world, defining their audiences as non-Swedes. These abroad audiences were searched for in two different contexts: firstly consumers of international mainstream media (in the actual world, or RL) and secondly participants in Second Life. The first audience was mainly connected with at two well defined time spots: when the news about the virtual embassy sped around the world in January 2007, and when the embassy was inaugurated by the Swedish Minister of Foreign

Affairs in late May of the same year. The second target group was reached through continuing work within Second Life, which lasted almost two years although it decreased in activity. The first communication effort has been measured by media analysis bureau Cicion and can easily be described as successful. The work done within Second Life is harder to transform into economic terms and is therefore harder to summarize. What can be said, though, is that the visitors within Second Life gradually changed over time. As long as the Second House of Sweden attracted visitors from countries outside Sweden (something that for a period of time was facilitated by the publisher of Second Life, Linden Lab, as the Swedish embassy was chosen to be one of eight official landing areas in Second Life), the disposition of the in-world visitors was satisfactory. But as the number of foreign visitors to the embassy decreased in Second Life, leaving mainly the participants in the Swedish community at the Second House of Sweden, participating in the virtual world gradually became less interesting for the Swedish Institute. Since the most important target group of the Swedish Institute is young, well-educated people living outside Sweden, the fact that the number of non-Swedish visitors at the embassy decreased successively naturally weakened the Institute's interest in paying attention to and spending time within Second Life. So, when the media discourse changed from positive to negative and the status of Second Life (according to the media discourse) decreased (as naturally the PR values of the embassy also did), the Swedish Institute terminated its activities in Second Life, and the view of the in-worlds in Second Life turned from "progressive" to "out of date" or "old hat".

Bolin and Ståhlberg (2010) also argue that "being like everybody else" is an important dimension of the branding of nations today. Besides being like everybody else, the importance of being new and fresh is also important in marketing. Launching an embassy in Second Life in May 2007 was definitively something new and fresh, and rendered the Swedish Institute and Sweden as a nation with immense news coverage and publicity all over the world. But as the media hype about Second Life diminished, the connotations of the virtual world changed and many other companies, institutions, etc., left Second Life, presence in Second Life increasingly became a burden for the Swedish branding organization. Although the Swedish Institute still pays for the sims in Second Life, there is no information about the Second House of Sweden on the Swedish Institute's website (www.si.se) today, and the virtual embassy blog has not been updated since June 2009. Being connected with Second Life was only valuable to the Swedish Institute as long as everyone else was part of Second Life and mainstream media still paid attention to the virtual world in positive terms. As

interest decreased worldwide, association with a three-dimensional “fantasy” world was no longer part of the endeavours of the Swedish Institute.

In the material gathered from the Swedish Institute and other collaborators in the project, it is obvious that this nation-branding project, in accordance with the arguments of Bolin and Ståhlberg (2010), was heavily oriented towards the future and correct future audiences defined as “progressives” and “moderns”. And it is just as obvious that the virtual world was regarded as “the future” only as long as mainstream media laid its eyes upon it. The Swedish government used the virtual context and cooperated with the inhabitants of Second Life to create a progressive image of Sweden for audiences abroad, although it, in the long run, did not consider them particularly progressive themselves. The Swedish Institute decreased their engagement in Second Life as soon as it was determined that participation in the virtual world would decrease their PR value IRL. Since Second Life, for a fairly short period of time in the international media discourse, was transformed from the hottest of hot future communication arenas into something ridiculous and embarrassing, the most important dimension of the virtual world of Second Life in the Swedish nation-branding campaign was to serve as a connection with the future during the period of time when it was defined by mainstream media as such.

So, as soon as mainstream media looked elsewhere, the hole in the membrane of the virtual world gradually closed and the magic circle became magic again. Kücklich (2009) argues that the ideology of current virtual worlds is primarily ludic, and that they hold an ideology of play (see also Pearce and Artemesia 2009). For a government organization like the Swedish Institute, being associated with this ideology of play and the ludic culture of the virtual world successively became a burden. For the Swedish Institute, the nation-branding part of the project was completed shortly after the inaugural press conference had turned off its lights. Second Life was only regarded as “the future” as long as mainstream media were watching.

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