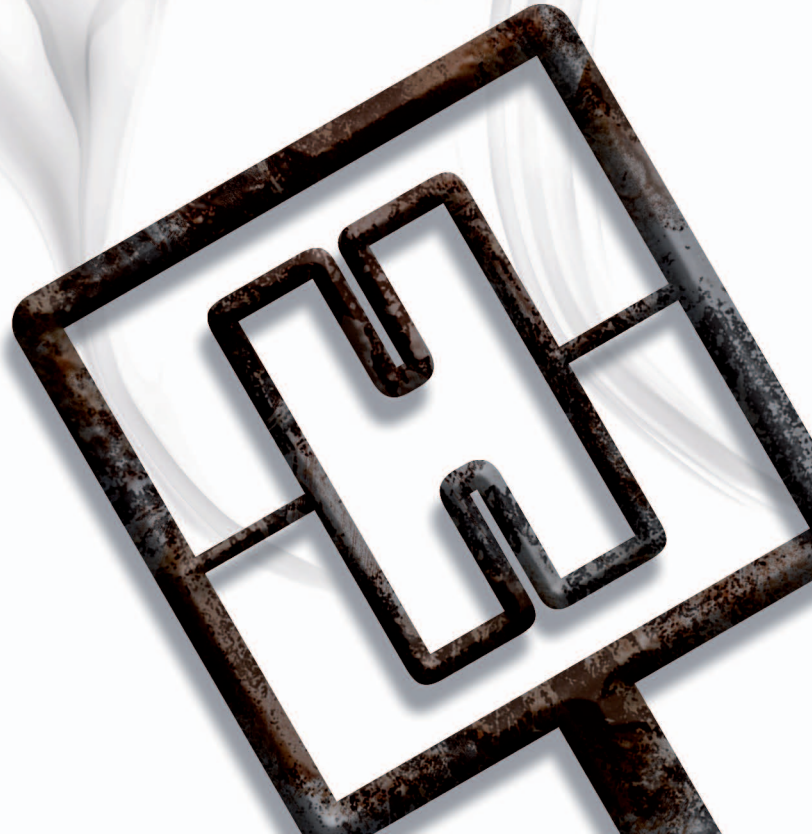


A TEENAGER'S BRAND EXPERIENCE



In January 2010 Habbo Hotel, the world's leading teenage virtual community, asked over 5000 tweens and teens what they thought about branding in their digital space.



How do teenagers view brands?

In August 2009, FEED, Razorfish's annual study charting how technology is changing the way consumers engage with brands, asked 1,000 connected consumers (who have spent over \$150 a month online over the last six months) their opinions on how online brand activity influences their decisions.

<http://feed.razorfish.com/feed09/the-details/>

In January 2010, the world's leading teenage virtual community Habbo Hotel asked its users some of the same questions with surprising results.

The Habbo Hotel users surveyed reflect a typical teenager online: a digital native exploring their personal identity and beliefs whilst not having much disposable income to play with (approximately \$51 a month, Global Habbo Youth Survey 2009).

This can lead to them moving quickly between brands as they align themselves with those that best reflect how they feel about life at the time. This makes them a very discerning bunch and it's hard for brands to first connect and then maintain a relationship with them.

Personal image for teenagers online is just as important as it is offline, and with teenagers spending a significant amount of time online, we asked what impact brands had in engaging with them in their favorite online hangouts.

When put against an active adult online-buyer, can branding to teens be as effective? Will teenagers interact with brands independent of how much money they have in their pocket and how different is this to active affluent adults?

And if Facebook, Twitter and Habbo Hotel are the super malls of tomorrow, what are the new generation of consumers thinking about brands vying for their attention?

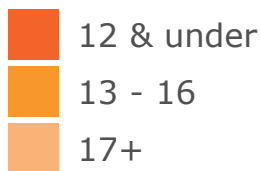
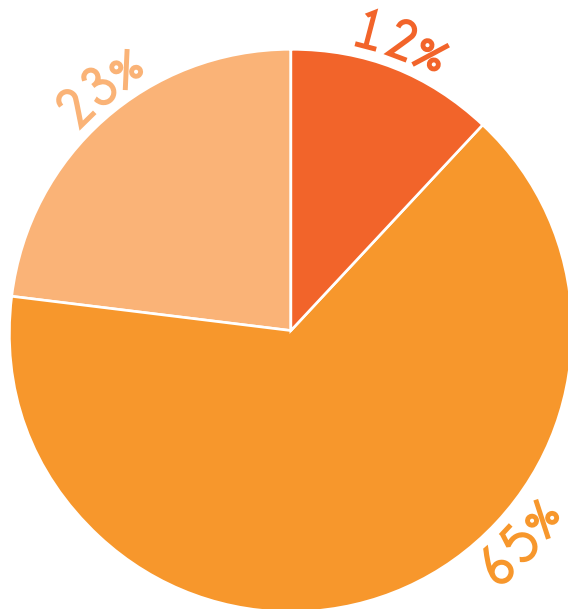
Conclusions

1. Almost twice as many teenagers than connected online-buying adults are willing to friend a brand in Habbo Hotel compared to Facebook or MySpace.
2. Teens, regardless of income, will publicly associate themselves with a brand and spread its message if the brand is relevant and starting the right sort of conversations.
3. Not only are more teens friending brands but they are far more engaged as well. Compared to 70% of Facebook or MySpace's connected adults, some 92% of teens will take part in brand activities or contests in Habbo Hotel.
4. Moreover, 40% (almost double the amount of adults) will produce content for these competitions. Because of the sticky and engaging nature of advertising in Habbo Hotel, it encourages teens to participate in the activities and brand conversations presented to them.
5. Branding is equally as effective to teens as adults. 93% of teens show their allegiance and tastes by wearing virtual items long after the campaign ends. A Habbo Hotel advertising campaign not only places a brand in the forefront of thinking for a short space of time, but also creates brand advocates and lasting brand messages that become a part of the fabric of their online lives.
6. Although school-going teenagers cannot match the spending power of employed adults, 83% have had their views influenced by advertising or are willing to change their opinion in the future.

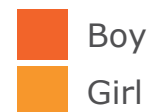
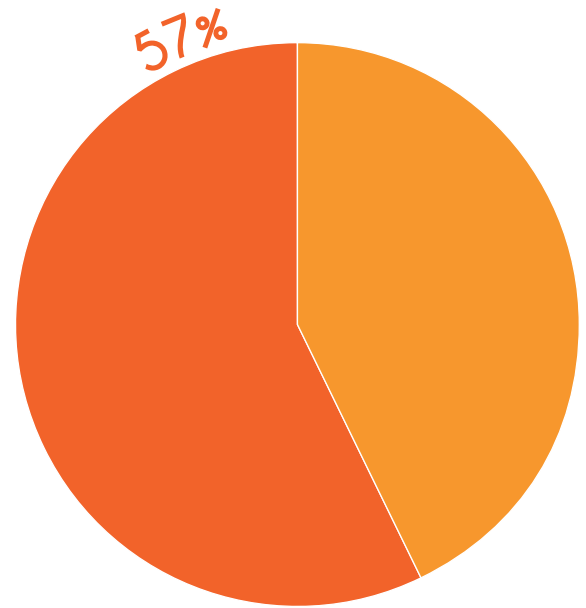
Who answered the survey

Sample size 5,340

AGE

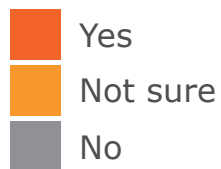
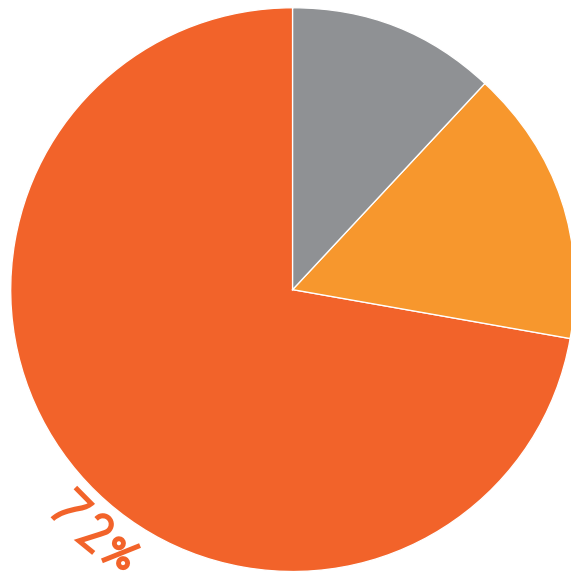


SEX



The survey was conducted anonymously on Habbo.com, Habbo UK, Habbo Canada, Habbo Singapore and Habbo Australia. The survey was promoted within the site content and only fully completed surveys were included in the results.

Teenagers more likely to engage with a brand on Habbo Hotel



Have you ever shown in anyway that you have liked a brand ?
(also known as 'friending' a brand)

Almost twice as many teens are willing to friend a brand in Habbo Hotel compared to Razorfish's surveyed connected adults on Facebook or MySpace.

Habbo's experience shows that engagement works best for brands when they are relevant and add value to the environment they are in.

RAZORFISH RESULTS

Have you ever "friended" a brand on facebook or myspace?

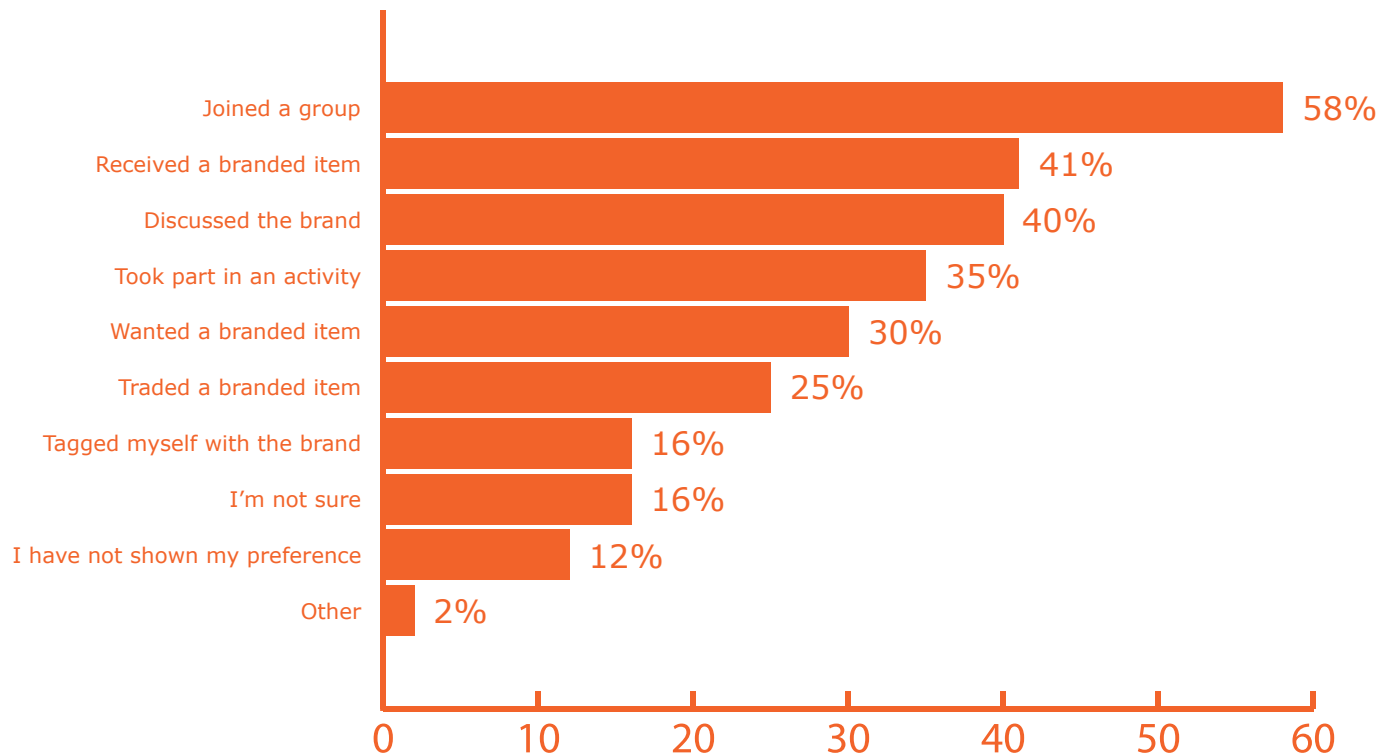
40.1% - YES

59.9% - NO

Virtual goods and being a brand club member are key drivers of brand engagement in Habbo Hotel

QUESTION ANSWERED BY ALL USERS

On Habbo, have you ever shown in any way that you like a brand? If yes, how? You can choose several.



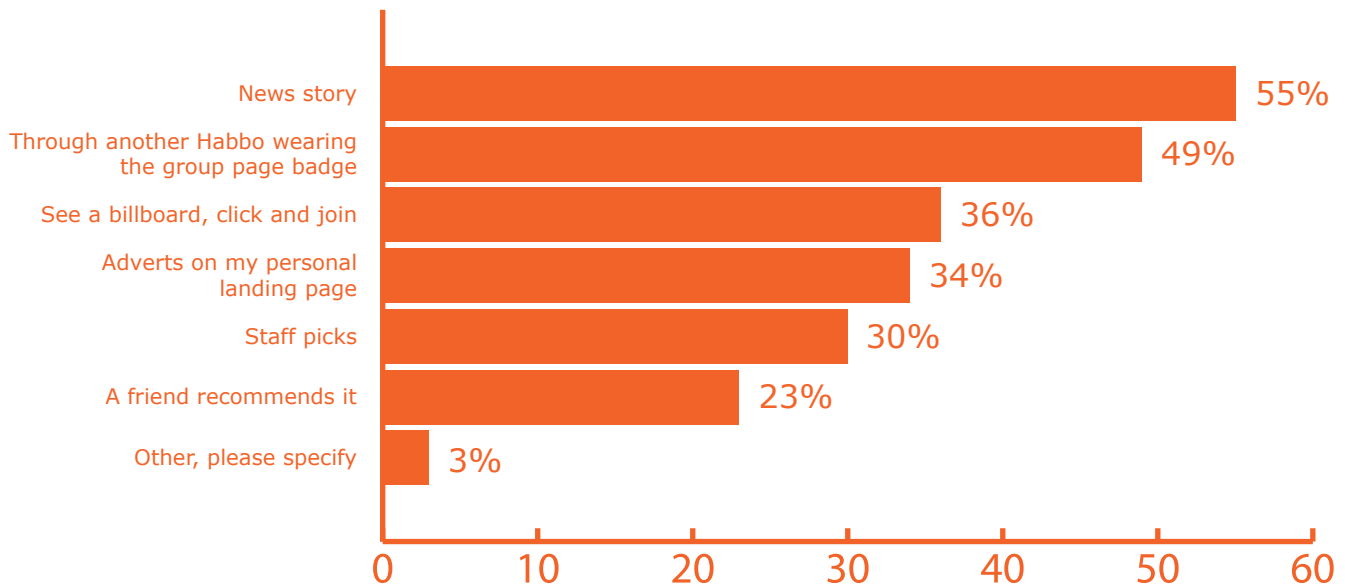
Teenagers are quite happy to align themselves with brands and show their support by joining a branded group in Habbo Hotel. This public display of loyalty is amplified when they receive a virtual representation of the brand they can use to decorate their personal spaces.

Our experience shows that virtual goods allow for self expression: evidence that the badge and sticker culture for teens is just as strong online as it is offline.

Advertorial news stories are the main source of brand information

ALL THOSE WHO JOINED GROUPS

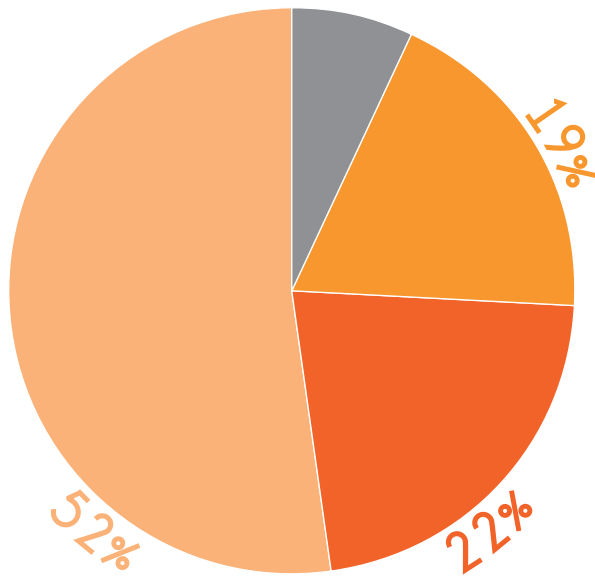
How do you usually join branded promotional groups of Habbo?



Habbo Hotel discovered that news stories in the form of advertorials are the primary tool teens use to learn about brands entering their world. This is closely followed by seeing a branded badge worn by others, which can often start the discussion about a brand amongst friends.

Habbo Hotel users are willing to stick with a brand

ALL THOSE WHO WANTED, TRADED OR RECEIVED A BRANDED ITEM



- Yes, all the time
- Yes, often
- Yes, sometimes
- No, never

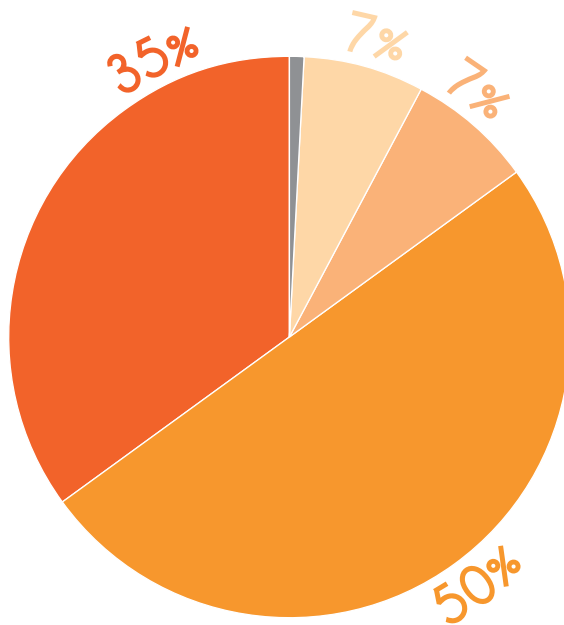
Do you still wear and/or use any of your branded badges, stickers or furni?

93% of Habbo Hotel teens continue to show their allegiance to a brand long after a promotion.

This shows a high degree of loyalty that defies the rapid brand switching culture of today. Habbo Hotel has seen branded items continue to deliver impressions and value long after the promotion has run.

Brand activities are a key driver of engagement for teens

ALL THOSE WHO HAVE FRIENDED A BRAND



- Many times
- A few times
- Once
- None yet, but I might
- None, and I probably won't

How many times have you taken part in an external brand's competition or activity in Habbo?

92% of the teens surveyed say that they have taken part in a branded competition or event in Habbo Hotel. This compares to 70% of connected adults doing the same on Facebook or Myspace in the Razorfish survey, suggesting that real time virtual environments offer a more engaging environment for youth brand interaction.

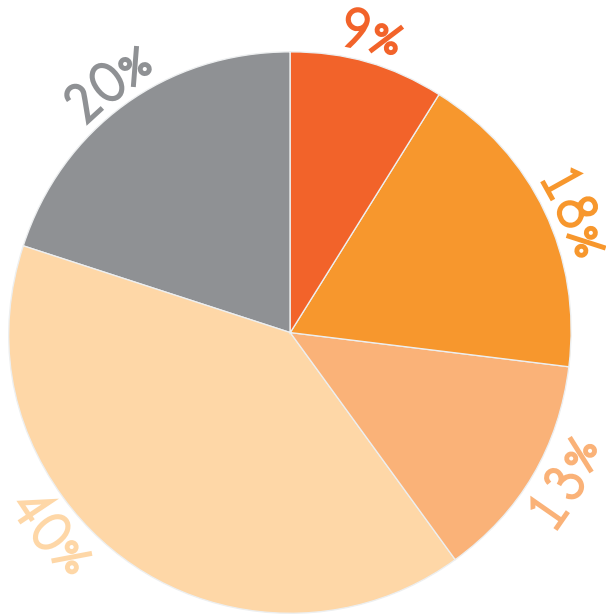
RAZORFISH RESULTS

Have you ever participated in a brand sponsored contest or sweepstakes?

70% - YES
30% - NO

Teens are more willing to get actively involved with a brand promotion

QUESTION ANSWERED BY ALL USERS



- Many times
- A few times
- Once
- No, but I might
- No, and I probably won't

Have you ever produced content (photo, video, story, pixel art etc.) in order to participate in a contest held by a brand?

Razorfish's survey showed 24% of adults were willing to produce their own content in order to participate in a contest held by a brand. Habbo's survey showed that **40%** of teenagers are willing to do the same. Habbo's experience is that teenagers use many different mediums to enter these competitions, even sending entries by post.

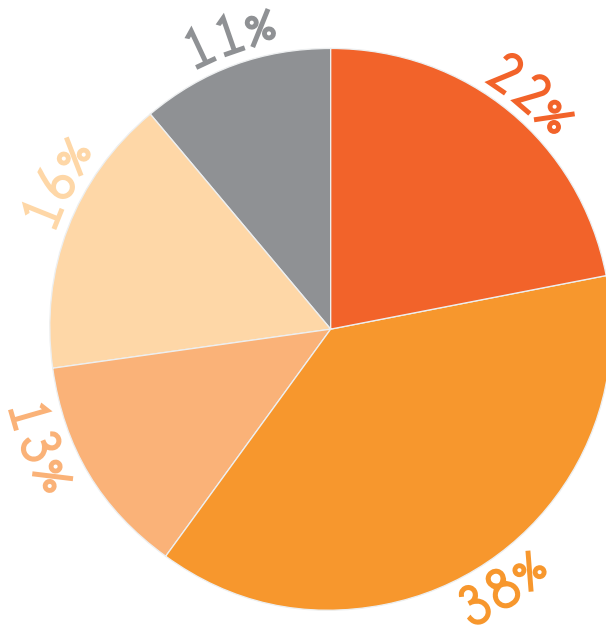
Habbo has experienced that the level of engagement is much higher for teenagers when relevant brands create interesting activities that involve people.

RAZORFISH RESULTS

Have you ever produced content (photo, video, story, etc.) in order to participate in a contest held by a brand?

24% - YES
76% - NO

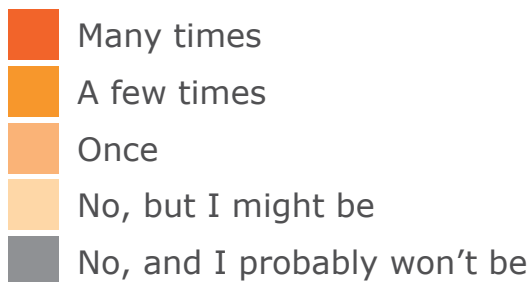
Branded activities in Habbo Hotel cut through the everyday noise



Have you become more aware of a brand thanks to branded activities in Habbo?

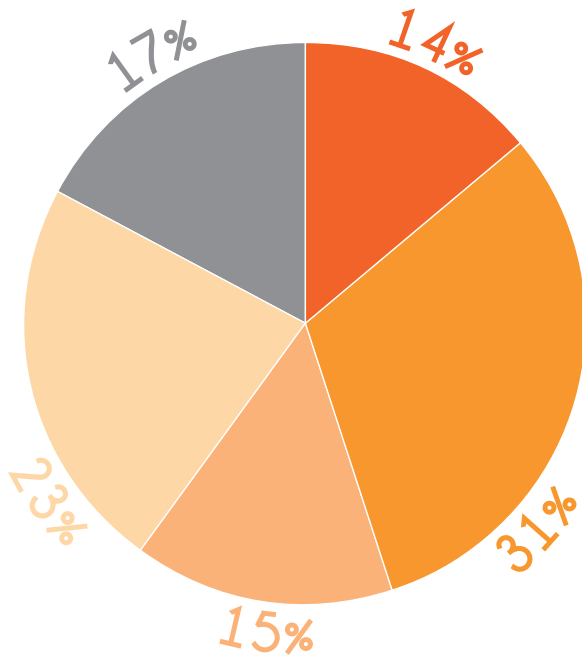
73% of survey respondents became more aware of a brand thanks to branded activities independent of friending the brand.

Habbo's evidence suggests that teenagers notice brands, even if they do not want to engage with them.



Brand promotions influence teenagers' opinions in Habbo Hotel

QUESTION ANSWERED BY ALL USERS



- Many times
- A few times
- Once
- No, but they might
- No, and they probably won't

Have branded activities in Habbo changed your opinion about the promoted brand or the product or services it offers?

60% of teenagers have been influenced by brand promotions in Habbo Hotel closely mirroring that from the Razorfish survey, though twice as many teenagers (72%) are likely to friend a brand on Habbo than Facebook and Myspace.

A further 23% of teenagers suggested that they might be willing to change their opinion about a brand in the future.

This suggests that brands that create a lasting presence within teen communities can benefit from building credibility with this elusive audience.

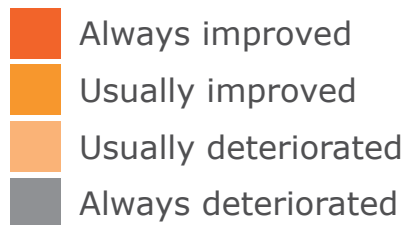
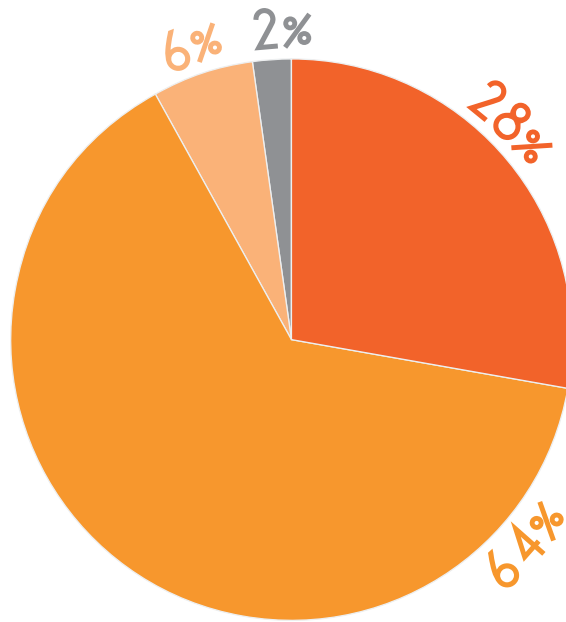
RAZORFISH RESULTS

Has an experience you have had online ever changed your opinion (either positively or negatively) about a brand or the products and services it offers?

65.3% - YES
34.7% - NO

Promotions in Habbo Hotel improve brand perception to teenagers

ALL THOSE
INFLUENCED
BY A BRAND

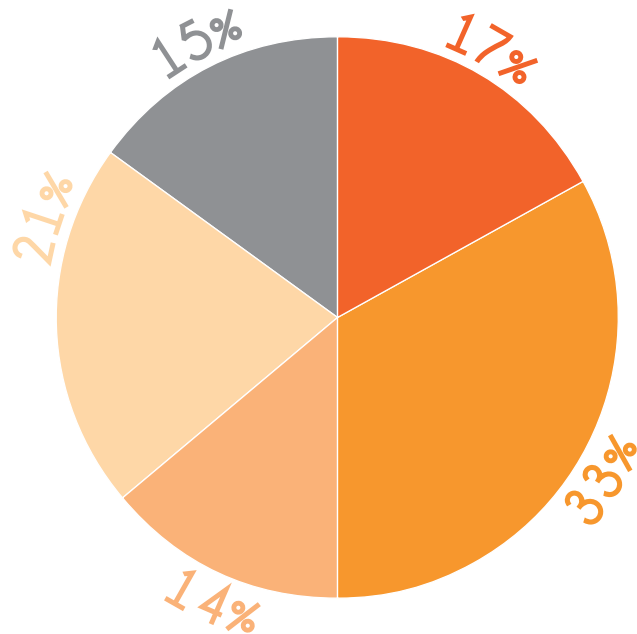


How does your opinion usually change thanks to a brand being present in Habbo? After branded activities in Habbo, my opinion of the brand has....

92% of those who said their opinion had changed said their opinion about a brand had improved after seeing it in Habbo Hotel.

Clearly when brands involve and engage with teenagers in Habbo Hotel, they are usually left with a positive feeling towards the brand providing a platform on which to build a longer relationship.

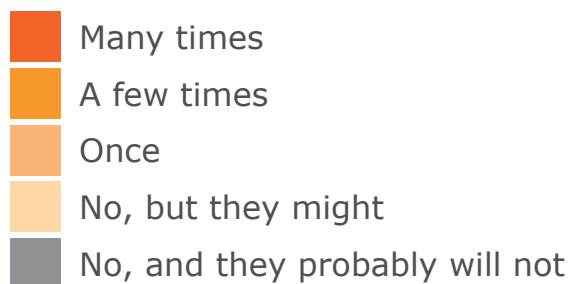
Brand activities in Habbo increase teens' desire to want the product



Have branded experiences in Habbo made you want a real life product or use their services?

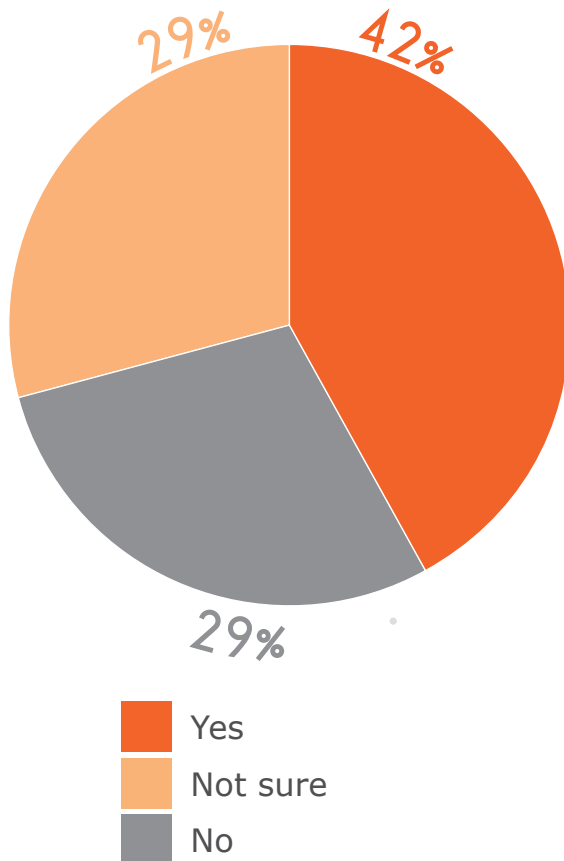
64% of teens said that they wanted the product seen as a result of a promotion appearing in Habbo Hotel.

This desire is often reflected in the measurable increase of brand chatter that Habbo experiences during and after a brand promotion.



Brand promotions in Habbo drives the actual purchase of products

QUESTION ANSWERED BY ALL USERS



Have you ever made your first purchase from a brand because of a digital experience ?

(e.g. Habbo, a web site, microsite, mobile coupon, email)

42% have made a purchase because of a digital experience.

Adults from the Razorfish survey are connected consumers who have spent a minimum of \$150 online over the last six months and are in paid employment. An average Habbo Hotel teen has a disposable income of \$51 per month (Habbo Global Youth Survey 2009).

Teenagers have limited spending power compared to adults and need to watch where they spend their money.

RAZORFISH RESULTS

Have you ever made your first purchase from a brand because of a digital experience (e.g., a web site, microsite, mobile coupon, email)?

64.1% - YES

35.9% - NO

Some comments from the teens who responded to the survey....

You should give out more gifts relating to the brand for example the childline furni people made the effort to enter the competitions and it raised awareness of the things childline do.

My opinion of a 'brand' usually improves after it's appearance in Habbo, however when their advertisements are on my page and forum, it often leaves me with a negative opinion of the 'brand'.

I feel that there should be more opportunities to take an active role in the brand, if more Habbos might be nominated as a 'brand rep' then they will use special events etc to host events that would increase the awareness of this brand, the type of brand rep that was seen in St Trinians (Prefects) and ChildLine (Champions). I'm sure many people would be more than happy to try out in these types of events as it makes them feel useful and gives them something to do!

I feel branded furni should be brought out more but made rare, as in not to everyone just selected for joining groups or participating in competitions to make it stronger.

If im honest if it wasnt for habbo lol i would not even know what films were out :p

Questions / contact

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