The Enterprise Guide to Online Communities
How to choose the right online community to support your business objectives

By Tyler Douglas
Illustrations by Doublenaut
Why Companies Need Customer Communities

Customers and companies require intensive counselling if they’re going to save their relationship. Brands have grown global and more distant from the customers, while customers, hunting for bargains, are less loyal. The time when you could walk into a store where you knew the owner and the clerks has all but disappeared—replaced by self checkouts and anonymous big box outlets.

To fix matters, companies need to re-establish
a meaningful connection to customers. The solution for many brands is online communities. Online communities can mean many things: public versions hosted on social media sites, private versions run by brands and operating on special community software, communities that facilitate customer support or scale customer advocates or provide customer feedback.

This guide provides you with a handy assessment of common community types and provides examples of how brands are using customer communities to help make game-changing decisions.
The Uses of Customer Communities

Online communities present an opportunity and a challenge for today’s companies. The widespread adoption of online communities has led customers to expect to be heard and really listened to, and to be treated like individuals instead of faceless data points or, worse, the undifferentiated ‘average consumer.’ Customers—accustomed to connecting with friends and strangers alike through the variety of social networks available today—expect to be
able to connect directly with brands, to comment on their brand experiences and get immediate and personalized responses to their questions and concerns.

Most brands engage with customers through some form of public community, be that Facebook, Twitter or Instagram, or the latest new social network. If customers are talking about your brand online, you need to know what they’re saying. These public communities give companies a real-time method to monitor customers’ feelings about your brand, products and marketing campaigns, but their limitations inspire companies in need of more scalable and controllable methods to engage with customers to launch private communities.

Private online communities, like public communities, allow companies to react to customer complaints and concerns. They also provide an opportunity for companies to be proactive—to learn from customers, to give
them a better customer experience and to build trust and brand awareness. “The nature of business interactions is moving toward ongoing communication and building relationships and away from prescriptive and responsive interactions,” says Vanessa Thompson, research director for IDC’s Enterprise Social Networks and Collaborative Technologies. “Organizations will focus on driving brand awareness as well as having ongoing conversations with customers. This is particularly suited to online communities. Public communities give companies a real-time method to monitor customer feelings—but their limitations inspire companies to launch private communities.”
where brands can quickly build a trusting relationship with customers, employees, partners and suppliers.”

As more companies use online communities to engage with customers, they need a clear strategy and goals. Ask yourself:

• **Is your community mainly there to provide an early-warning system about unhappy customers?**

• **Is your community a way for your company to improve brand recognition?**

• **Do you need a community to test the viability of ideas and new products?**

• **Do you want to build customer loyalty?**

For many companies, the answer is: all of the above—and more. There are as many uses for online communities as there are types of communities on offer. The following chapters make recommendations for getting the most out of your investment.
### Features of Online Communities: A Checklist

<table>
<thead>
<tr>
<th>Feature</th>
<th>Social Community</th>
<th>Support Community</th>
<th>Advocate Community</th>
<th>Insight Community</th>
</tr>
</thead>
<tbody>
<tr>
<td>Invite-only</td>
<td>Optional</td>
<td>Optional</td>
<td>✓</td>
<td>✓</td>
</tr>
<tr>
<td>Company-directed conversations</td>
<td>✓</td>
<td>✓</td>
<td>✓</td>
<td>✓</td>
</tr>
<tr>
<td>Feedback with meaningful context</td>
<td>✓</td>
<td>✓</td>
<td>✓</td>
<td>✓</td>
</tr>
<tr>
<td>Ongoing engagement with known members</td>
<td>✓</td>
<td>✓</td>
<td>✓</td>
<td>✓</td>
</tr>
<tr>
<td>Two-way conversation</td>
<td>✓</td>
<td>✓</td>
<td>✓</td>
<td>✓</td>
</tr>
<tr>
<td>Structured member retention and engagement strategy</td>
<td>✓</td>
<td>✓</td>
<td>✓</td>
<td>✓</td>
</tr>
<tr>
<td>Private exchanges between company and member</td>
<td>✓</td>
<td>✓</td>
<td>✓</td>
<td>✓</td>
</tr>
<tr>
<td>Quantitative and qualitative data capture</td>
<td>✓</td>
<td>✓</td>
<td>✓</td>
<td>✓</td>
</tr>
<tr>
<td>Deep profile of member (demographic and attitudinal)</td>
<td>✓</td>
<td>✓</td>
<td>✓</td>
<td>✓</td>
</tr>
<tr>
<td>Clear, direct influence on strategic decision-making</td>
<td>✓</td>
<td>✓</td>
<td>✓</td>
<td>✓</td>
</tr>
<tr>
<td>Fully branded for your company</td>
<td>✓</td>
<td>✓</td>
<td>✓</td>
<td>✓</td>
</tr>
<tr>
<td>Secure member data</td>
<td>✓</td>
<td>✓</td>
<td>✓</td>
<td>✓</td>
</tr>
<tr>
<td>Mobile-friendly</td>
<td>✓</td>
<td>✓</td>
<td>✓</td>
<td>✓</td>
</tr>
<tr>
<td>Data visualization tools</td>
<td>✓</td>
<td>✓</td>
<td>✓</td>
<td>✓</td>
</tr>
</tbody>
</table>

*Visioncritical.com*
Types of Communities

SOCIAL NETWORKS

Background

The big, open social networks like Facebook and Twitter that have transformed nearly all aspects of our society, from dating to politics to how we produce and consume news, have transformed how brands interact with customers, too. Brands use social networks to broadcast information to customers, identify broad consumer trends, and monitor the activity of competitors and how people feel about products. And to a lesser
extent companies use public social networks to hear from individuals—and learn about trending topics that a great majority of the public is interested in.

For brands, the key value in open social networks is their size. With 1.65 billion monthly active users, Facebook is arguably the biggest clearly defined online community on earth, which is why it is far and away the most popular social network for brands to use to communicate with customers. According to Social Media Examiner, 93 percent of surveyed companies use Facebook
in their marketing efforts. Twitter—used by about three-quarters of surveyed companies and 310 million people worldwide—is an efficient way for PR teams to respond quickly to news events. Pinterest offers brands a forum to get specific content in front of targeted audience segments, especially women users. And, for the moment, only five percent of surveyed companies use Snapchat in their marketing efforts, but brands are expected to increasingly use this fast-growing app more in the future for things like location-based targeted advertising.

**Benefits of Social Communities**

Social communities are excellent for targeting broad demographics or interest groups. Using social media analytics, companies can gauge customer sentiment at any given moment.

Companies experience the most success with social communities when they use them as
broadcasting platforms, providing the general public with more intimate insight about the brand than is possible with traditional marketing. Consider how McDonald’s, one of the biggest brands in the world, was able to exploit the Twitter hashtag #GoodToKnow to share facts about the ingredients in its chicken nuggets.4

Social communities provide a useful measure of public attitudes by aggregating trending topics. But companies need to be careful not to over-rely on social data, which can give a false impression of your customers’ preferences.
preferences. Social media communities tend to be dominated by a subset of super users who post frequently, drowning out other voices. Those super users are inevitably the most delighted and most irate customers, meaning any insight gleaned from customer-brand interactions skews toward the extremes. And social networks suffer from that disadvantage common to any public online forum—a tendency for conversations to devolve into a spiteful, destructive argument, or what we’ve come to call a flamewar.

**Final Analysis of Social Communities**

Social communities give companies a direct and intimate channel to communicate with many customers at once, and to monitor customers’ evolving feelings about your brand, your marketing and your products. But social networks are also risky: they’re uncontrollable,
unpredictable and most companies know little about the people who belong to their social communities. Companies need the information provided by social communities yet need to be careful to combine that information with reliable sources of customer intelligence.

THE MAIN PLAYERS/SOCIAL COMMUNITY

**Facebook**
You, your grandmother and everyone in between uses this social network, which has evolved into a communal photo album, gossip mill, entertainment hub and news source. Companies rely on it to broadcast marketing campaigns.

**Twitter**
At times, it can seem like the only people regularly tweeting work in PR or are celebrities, or aren’t people at all—they’re bots. But it’s a highly-useful source of up-to-the-minute news, it can make or break reputations, and companies can use it to quickly assess the impact of a campaign.

**Instagram**
The photo-sharing service has grown into a sophisticated platform for brands to share information with target audiences about new products, especially products that, in keeping with the service’s overall vibe, are cool and aspirational.
SUPPORT COMMUNITIES

Background

Online support communities—which brands create to foster communication between customers—offer the opportunity to gather intelligence about customers in a controlled and more constructive space. Support communities are distinguished from the uncontrollable Wild West of social media because companies set the rules and framework for interaction with customers within the community.

Many brands build their support communities using software from companies like Jive, Lithium and Salesforce. These communities are primarily designed to stimulate collaboration and conversation between members and, in doing so, alleviate pressures on customer-support centers by providing a platform for customers to share tips and assist one another. They also allow customers to exchange ideas with one another, helping
companies improve on products and services, or create new ones.

**Benefits of Support Communities**

In the controlled environment of a support community, a company can steer conversations to constructive ends and prevent the community from devolving into a mere complaint forum. By monitoring member activity in support communities, screening for keywords and trending conversations, companies can pick up on new product ideas and identify problems.
Brands can monitor and analyze user activity in support communities, which allows them to identify trends and problem areas. Companies often rate the usefulness of members’ responses as well as the social status of a member—another method to see patterns and trends.

Some specialized communities, like those offered by the customer support software company Uservoice, provide even smaller, more controlled platforms for customer interaction. These are similar to a traditional focus group, in which a small group of users provide feedback to a company on a specific topic.

**Final Analysis of Support Communities**

The feedback harvested from support communities provides a quick snapshot of customers’ feelings about a brand. They’re especially useful as a means for companies to give customers a reliable source for product
information and solutions. However, they’re less effective at fostering communication and building relationships between customers and brands, and offer limited opportunity for a brand to collect high-quality insight by drilling down on specific brand issues with any depth or precision. Support communities ultimately don’t provide the reliable intelligence that’s possible from a large set of known members.

### THE MAIN PLAYERS/SUPPORT COMMUNITY

**Jive-X**
These communities are primarily used by large companies to enable customers to interact with each other and answer each other’s support issues.

**Lithium**
Companies use this community software, which has an emphasis on gamification, to encourage customers to interact and share tips in forums, and respond to trends on social media.

**Salesforce Community Cloud**
Many brands already using Salesforce’s sales-enablement software also use its communities to facilitate customer service and collect feedback.
ADVOCATE COMMUNITIES

Background

The popularity of social media created an opportunity for companies to mobilize enthusiastic customers and influencers as advocates for brands. Companies crave ‘social proof’—customer testimonials which they use to capture the interest of prospective customers and to demonstrate the goodwill and trust of current customers. Advocate marketing software allows companies to create communities of passionate advocates, usually integrated with a customer relationship management database. Advocate communities help companies increase the impact on social media of customers’ brand enthusiasm. These communities are often gamified, allowing customer advocates to collect points every time they provide testimonials.
Benefits of Advocate Communities

Advocate communities help companies systematize and exert some control over the previously unpredictable, if welcome, phenomenon of customer referrals. Using an advocate community, a brand can expand the reach of customer testimonials, especially over social channels. B2B marketers can exploit such communities to build brand awareness, scale advocacy and support sales with social proof, which speeds up deals. Advocate marketing also provides cost savings,
insofar as marketers can rely on advocates to promote the brand, reducing spend on advertising and social campaigns.

**Final Analysis of Advocate Communities**

These communities provide companies with an efficient method to collect testimonials and build the goodwill of customers. It’s critical for companies in a competitive marketplace to transform loyal customers into brand advocates.

**THE MAIN PLAYERS**

**Influitive**
This company’s software allows brands to track and monitor referrals by members, encouraging them to share content across their social channels—building brand awareness.

**Augure**
A favorite of marketers and public relations professionals, this software helps companies identify influencers, distribute content marketing and monitor the impact of each influencer.

**Tapinfluence**
Primarily used by B2C marketers, this software creates communities of brand influencers and facilitates social sharing of campaign content.
INSIGHT COMMUNITIES

Background

Insight communities are created by assembling a carefully selected group of customers who maintain long-term relationships with brands. The key to an insight community is that its members are personally invested in the brand—they're motivated to provide ongoing feedback, and care about the future of the company. The feedback they provide is in-depth and of a higher quality than companies can get from social or support communities.

Insight communities are set apart from social and support communities by the depth of knowledge they provide about community members. Members agree to participate on an ongoing basis, which means companies can build a detailed profile of each customer. Because companies know who they’re interacting with,
they can connect in meaningful ways with individual members and follow up with further questions for clarification and deeper insight. In this way, insight communities become more valuable to brands over time, as member profiles constantly become richer and more intricate, giving brands ever more comprehensive insight into who their customers are and what lies behind their choices and preferences.

**Benefits of Insight Communities**

Though not as massive and cumbersome as public social networks, insight communities can be quite large, from hundreds to hundreds of thousands of members, allowing a brand to target queries to specific groups of customers and segment community members with ease and precision. This scale and flexibility makes insight communities adaptable to a wide variety of applications, from testing marketing concepts...
to creating product ideas to getting thorough feedback on the full customer experience.

Insight communities also turn loyal customers into brand champions. Part of the pact of joining an insight community is that the host brand will share back with members how their feedback impacted decisions at the company. Community members see their feedback have a real influence on the brands they love—which motivates them to continue participating in the community and strengthens their brand loyalty.

Insight communities make those all-important
relationships both intimate and scalable, producing high-quality, targeted insight with speed and efficiency. By allowing companies to drill-down on specific points of inquiry, asking specific customers for clarification and elaboration, insight communities offer detailed, real-time understanding of who customers are and how they behave. With insight communities, brands can gather intelligence with greater flexibility, understanding not just what customers like and what they don’t, but why. The ongoing customer feedback supplied by an insight community empowers companies with actionable intelligence to make data-backed decisions.

**Final Analysis of Insight Communities**

Insight communities are, in a sense, like a highly adaptable, gargantuan focus group that’s always available to a company, now and into the future, and able to provide actionable feedback
on questions big and small. With an insight community, a company is able to confidently make decisions about new products, assess marketing strategies and improve the end-to-end customer experience. The one challenge with insight communities is that, more than social and support communities, they require a commitment on the part of the company to engage in meaningful, authentic conversations with customers; once members join, they expect a two-way dialogue with brands, and they want to see how their feedback informs the company’s decision-making.

**THE MAIN PLAYER/INSIGHT COMMUNITIES**

**Vision Critical**
Enterprise companies use Vision Critical’s software to create communities in which they can engage with customers on an ongoing basis to generate product ideas, validate marketing campaigns and improve the overall customer experience.
Insight Communities in Action

How insight communities help two leading brands make better business decisions

WOLVERINE WORLDWIDE

The footwear manufacturer Wolverine Worldwide, maker of brands such as Sperry, Hush Puppies, Cat Footwear and Saucony, has long valued customer feedback. However, an internal audit in 2015 prompted the company to double-down on its efforts and incorporate
feedback throughout the product-customer lifecycle. Until that time, Wolverine Worldwide relied on traditional research methodology and only connected with consumers one to two times a year.

In 2015, the company launched Vision Critical insight communities for several of its footwear lines. The branded insight communities allow Wolverine Worldwide to avoid rolling out footwear designs approved by salespeople and wholesalers, but disliked by consumers. Using feedback from
the communities, the company can make faster decisions about new shoe lines, creating products that customers actually want.

Feedback from the insight communities has also helped the company build credibility with retailers. In one case, a new Sperry shoe design was met with skepticism from one exclusive retailer. To demonstrate that consumers would embrace the design, Wolverine invited feedback from the Sperry Insiders insight community, and in a matter of days had hard data demonstrating that customers did in fact like the shoe. The retailer, convinced by the compelling results, placed a significant order.

“Our insight communities have significantly enhanced our consumer-centricity,” says Wolverine Worldwide VP Chris Hufnagel. “They enable us to speak with our consumers almost instantaneously and are a valued resource across our family of brands.”
ESPN

As the world’s premier sports network and a vital and lucrative component of Disney’s cable network business, ESPN is a powerful brand with legions of dedicated fans. Nonetheless, in the mid-2000s, the network confronted the same challenging headwinds as other cable networks: media consumption habits had rapidly shifted and customers began dropping cable network subscriptions in droves. The brand needed to get a more accurate understanding of its customers. In 2008, ESPN launched a Vision Critical insight community,
FANography, of 5,000 dedicated sports fans. ESPN has used feedback from FANography for countless applications across its businesses. The company has tested NBA promos with members for the marketing department and asked for feedback to help guide multi-million dollar decisions on ESPN platforms such as the NCAA Men’s Basketball Tournament Challenge, the ESPNFLC Boot Room and SportsCenter Top 10. The members of the insight community are avid users of multiple ESPN platforms, including ESPN.com, ESPN The Magazine and ESPN Radio, and provide their heartfelt opinions about each.

ESPN also uses its insight community to conduct campaign effectiveness studies on behalf of advertisers at a fraction of what it would otherwise cost to hire a third-party researcher. In 2015, the network provided valuable advertising insight to 11 clients at a cost of $94,000, an 85 percent savings.
Actionable Insight from Online Communities

With today’s empowered customers leading the dance between the shopper and the brand, it’s more important than ever for brands to invest in those relationships, gathering actionable insight into who their customers are, how they behave and why. Companies are finding that it’s useful—and necessary—to engage with customers through communities. Each kind of community provides valuable information on customers; companies need to agree to what they want to get out of a community, and decide which type of community best suits those needs.
Sources

1 http://time.com/money/4403272/americans-not-buying-stuff/?xid=frommoney_soc_socialflow_twitter_money

2 https://www.idc.com/getdoc.jsp?containerId=257492

3 http://www.socialmediaexaminer.com/report/?awt_l=EyF5.&awt_m=L463moc0hr.ILT

4 https://econsultancy.com/blog/67541-10-delicious-digital-marketing-campaigns-from-mcdonald-s/

5 https://www.visioncritical.com/resources/socialcustomersreport/
Tyler Douglas heads Vision Critical’s global sales and marketing teams. A seasoned leader and entrepreneur, he has a proven track record of building high-performance teams and strategic client relationships.

Tyler previously co-founded IronPoint Technology, a market leader in web content and collaboration software. Within a few years, the company was acquired by Active Network. Staying on at Active Network, Tyler helped drive the company from a $30-million to $300-million organization. It launched a successful IPO on the New York Stock Exchange in May 2011. Tyler also serves as an advisor for several technology start-ups across North America.
Customer Intelligence Delivers Insight Throughout Your Organization

Download more Enterprise Guides to discover how customer intelligence improves marketing, innovation and customer experience

READ OTHER BOOKS HERE  visioncritical.com/resources
Vision Critical’s software gives you valuable feedback from a trusted community of customers, helping you make data-backed decisions when you need them most: throughout the product-customer lifecycle.

**Better Products**
- Drive smart product building
- Generate winning ideas
- Build customer-informed market knowledge

**Better Campaigns**
- Build impactful messaging
- De-risk go-to-market strategies
- Optimize campaigns with customer feedback

**Better End-to-End Experience**
- Drive business results
- Make CX scores actionable
- Optimize the customer journey

[Watch the demo](visioncritical.com/demo)