The Business Value of Online Community

A user-friendly compendium of the current research...

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What’s an online community?

For purposes of this presentation--

It’s an owned, interactive online hub where customers, fans, partners, employees, and/or members can communicate and share.

It may have ties to content and interaction from social media accounts as well.
IDC predicts...

Customer communities will become a strategic component of an experience strategy. By 2020, 80% of the Fortune 5000 (F5000) will have an active customer community (up from 30% today).

IDC 50th Anniversary: Transformation Everywhere

Brian Solis shows how...

X: The Experience When Business Meets Design
“Communities play a key part in providing content and instilling confidence in buyers.”

- Enable more effective marketing
- Drive customer lifetime value
- Improve customer targeting and segmentation
- Accelerate buying decisions
- Increase purchase satisfaction
- Collect valuable user-generated content

SAP-commissioned Forrester Research "Supporting the online customer journey through communities," October 2016
A good online community contributes to all of these priorities.
“human-style conversations lead to better reputations.”

- Provide a space for your brand’s conversational human voice
- Corporate reputation leads to business outcomes
- Social media & community contribute to positive perception
- Foster true dialogue w/ customers

“We find that 19% of the post-launch revenue from community customers can be attributed to their joining the community. ...The analysis of community data reveals that social connections – the number and importance of friend ties – and interactions – personal page displays – are positively linked to social dollars.”

*Social Dollars: The Economic Impact of Customer Participation in a Firm-sponsored Online Community. Manchanda, et al., February 6, 2015*
“Community and purpose are the new sources of advantage in the Social Era.”

- Provide space for ideation, be open to input from outside sources, customers
- Collaboration is a crucial part of economic production
- When community invests in an idea, it co-owns its success

“We found that as consumers engage more actively and in ways that involve relevant interaction with the brand, there is a strong correlation to increasing levels of customer lifetime value.”

Crowdsourcing innovation through community

- Create a strategic asset that accelerates the development of new ideas.
- Make the organization more nimble to better serve customer or employee needs.
- Positive experience of interacting can be linked to increased retention and a greater sense of overall satisfaction for customers & employees.
Idea factory for innovation

Mission control for influencers

Extend learning & education

Instant focus groups

Extend learning & education

Break down internal silos

Connect experts & resources

SEO juice from dynamic content

Privacy & control

Reward and fire up fans

Reduce support costs

Strengthen customer relationships

Gather user-generated content

What will your community do for YOU?
Want to add your research findings?

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