

SUCCESS FROM THE GROUND UP

BUILDING AN EFFECTIVE ONLINE COMMUNITY



Success from the Ground Up

BUILDING AN EFFECTIVE ONLINE COMMUNITY

A new class of company is emerging – one that uses collaborative technologies intensively to connect the internal efforts of employees and to extend the organization’s reach to customers, partners and supplier.” In just one sentence, this quote from a McKinsey study summarizes the huge impact online communities have on businesses today. In today’s competitive marketplace, companies are working to maximize their opportunities through valuable relationships. Online communities can achieve this goal by connecting, engaging and extending relationships with customers, employees and partners. Spanning verticals such as retail, financial services, high tech and more, companies have discovered a strong use case for online communities:

86% of Fortune 500 companies said communities provide insight into customer needs.

64% of companies stated community has improved their decision-making.

Customer service is
evolving at a rapid pace
in order to keep pace
with customers; **but is
the pace fast enough?**



Online communities present multiple opportunities for enhanced business value. They create an experience that helps businesses achieve their goals, whether it's acquiring new customers or increasing insight into consumers needs and wants. However, in order to be effective, companies must be sincerely interested in knowing the needs of their audience, create an engagement strategy, and lay the groundwork for enhancing the community experience overtime.

To help organizations succeed in their efforts, we bring this guide to you with the knowledge we have gained while working with some of today's most successful and innovative companies including eBay, Epic Games, LinkedIn, Microsoft and Pixar. Our goal is to educate organizations on the best practices necessary to create engaged, vibrant and successful online communities.



Laying the Foundation for a Strong Online Community

An online community is a powerful way to build engagement and nurture relationships. However, many companies often struggle with how to get started. This need not be a daunting process.

Here are five tips to help you build a strong, effective online community:

1. KNOW YOUR AUDIENCE

Who is posting about your company? What are they saying? How are competitors positioning themselves in the marketplace? Before outlining goals for your community, understand the needs and wants of your members, as well as your management team, and research how to position yourself as a strong online resource. By analyzing the current situation, you will have the knowledge necessary to start relevant conversations, build relationships, and establish a foundation that will foster community growth.

2. ESTABLISH COMMUNITY CULTURE

For an online community to be successful, it must be sustainable and supported by senior management. Sustainability is created through engagement and emotional connection to the brand. Focus on building an online community where members discuss questions and answers and collaborate with one another, not just



your online brand. Quality conversation adds value to the customer experience, retains and attracts community members, and transforms users into brand advocates. Participation by senior executives reinforces the company's commitment to the community among employees and customers. Reward active community members by inviting them to lead online webinars or chats, give them an expert badge, or grant them moderator status in niche topic discussions. This will lead to quality engagement and provide an incentive for members to actively participate.

3. BUILD COMMUNITY VISIBILITY

Community members may drive online conversation, but it falls to you to inform your audience. There are many simple ways to promote your online community. Schedule monthly live chats to further engagement on popular topics. Use email alerts to notify members of new discussion opportunities. Or, send email newsletters highlighting community activity. This tactic not only promotes your online community, but also sparks interest, invites others to join the conversation, and increases web traffic.

4. SHOWCASE PERSONALITY

Put yourself in the shoes of your community members; would you rather interact with someone that is dry and boring, or someone with an interesting personality and a relatable story? As an online brand, everything you do – messaging,

website design, customer service – makes a statement about your brand. Make your community a place where members are excited to be. Whether it's quirky, conventional, formal or casual, adding personality to your online community creates a personable connection and can lead to transparent, long-lasting relationships.

5. PROVE YOUR COMMUNITY'S ROI

A strong community attracts new members, retains current users, and can potentially transform audience members into customers. Online communities are an investment in the success of your company – remember to show the return on that investment. Review metrics, improve where necessary, and track numbers back to your business goals.

Use gamification to
reward community
members with badges,
reputation points and
expert status





Effectively Drive Engagement in Your Online Community

Once companies determine the purpose and goals of their community, they transition their focus to creating vibrant, active engagement. They want their online community to serve as an interactive forum where employees and customers can share ideas, help their peers, and discuss common interests. However, building the engagement necessary to sustain a successful, valuable community requires strategy and motivation on the organization's part.

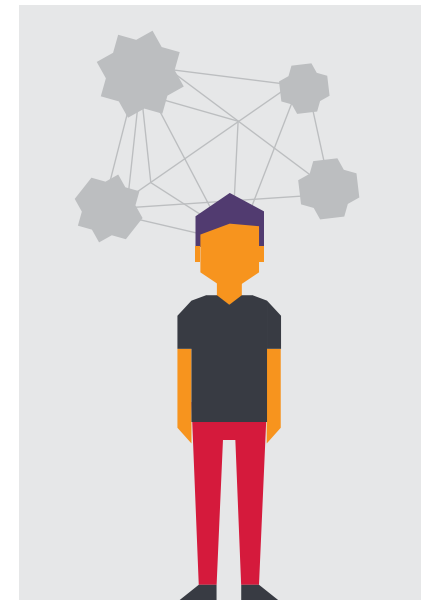
Here are eight ways to drive engagement in your online community:

1. ESTABLISH CLEAR VISION AND GUIDELINES

Communities can provide a variety of benefits – customer support, employee onboarding, ideation, Q&A, and user feedback. The objectives of the online community must be clear in order to produce a measurable return on investment. Further, guidelines must be set for community engagement. Once clarity is established on the purpose of an organization's community and the rules that guide it, successful engagement will follow. Stakeholders will understand the roles they play and the expectations for their participation to maximize the opportunity for success. Community managers should monitor engagement to ensure it aligns with the organization's objectives.

2. POSITION COMMUNITY AS PART OF THE BRAND EXPERIENCE

A company's online community should reinforce its overall value proposition. It showcases the values of an organization – transparency, communication, innovation, and user satisfaction. When acquiring a new customer, position your community as a central feature in the new relationship. Also, remember to make create awareness for your community. Make it easy to find on your website and showcase it in marketing materials, customer communications, or internal newsletters. The more importance you place on your community, the more customers and employees will follow suit.



3. IDENTIFY AND REWARD COMMUNITY EXPERTS

A successful community feeds on engagement. Therefore, it is important to identify and recognize community experts who actively share their insights and drive discussions with fellow members. Experts are the backbone of a community's success. Reward their efforts and encourage them to continue their contributions.



4. CROWD-SOURCE NEW IDEAS

When companies establish an environment where customers' and employees' voices can be heard, the results are far more powerful. Encourage community members to solve issues, provide insights, and share ideas. For example, invite customers to give suggestions on new features when building a product roadmap. Or, post a question asking employees for feedback on their onboarding experiences. This is an excellent way to inspire high value engagement. Make those who join your community feel welcome, important, and valued and community engagement will surge. Recognize contributors publicly, you cannot say "thank you" enough.

5. CREATE AN INSIDER GROUP

Engagement is dependent on authentic relationships between a company and its community. An effective way to build engagement and transparency is an insider group. Insiders are influencers and possess insight into the needs and interests of your community.

An insider group also enables community members to have a sense of ownership. Listen to their advice and opinions to create a more beneficial experience for your community members.

6. SPREAD THE WORD

Email is one of the best ways to get the attention of users and get them coming back to your site. A newsletter is a great place to start, but you can look at a variety of ways to leverage email to get people involved in the community.

7. APPOINT A COMMUNITY MANAGER

Community Managers have two priorities – people and content. Building and maintaining meaningful relationships with customers is a core competency of any viable organization. Community Managers drive conversations and deepen the relationship consumers have with your brand. They grow membership and activity within the community, engage with new users, respond to questions and comments within the community, post questions and introduce new topics.

Community Members must also govern the community and ensure that engagement aligns with the purpose of the community, addressing inappropriate posts and discussions if necessary.

8. IMPLEMENT SOLID COMMUNITY TOOLS

Engagement cannot be created in a community built upon tools that are buggy or difficult to understand. The technology behind your community must be solid. One bad user experience can result in a lost community participant, and ultimately, create a detrimental impact on engagement.

Community Tools should also have
moderation abilities that enable Admins to
control permissions, private spaces, and more



Measuring the Success of Your Online Community

Once your community is established, it is important to evaluate the return on your investment and access where there are opportunities for improvement. Research shows communities can increase the average amount of customer spending, attract new customers, and reduce support costs:

- Community users remain customers 50% longer than non-community users [AT&T].
- 43% of support forum visits are in lieu of opening a support case [Cisco].
- Community users spend 54% more than non-community users [eBay].
- Community users have 4x as many page views as non-community users [McKinsey].
- Customers report good experiences in forums 2x as often as they do via calls or mail [Jupiter].

However, most organization don't (or don't know how to) measure their community's ROI.

There are many quantitative metrics that you can apply to your community including:

COMMUNITY GROWTH

Although most community managers would love to see their audience reach thousands of users in just a few weeks, the odds of that happening are extremely slim. Communities are built upon trust and relationships, which take time to develop. However, it is still important to regularly review key metrics. How has your community grown over the past month? How about the past six months? Track how visitors arrive to your site and analyze results further to discover where the best quality traffic comes from. Also, review data to see how many members have transitioned into actively engaged contributors.

LEVELS OF ENGAGEMENT

Metrics related to engagement could include:

- Growth in the number of posts contributed by community members
- Numbers of comments on a blog post or article
- Number of downloads for a specific document
- Average response time to questions

To increase these numbers, encourage community advocates to contribute content and reward them with expert status or user badges. When fellow members see one of their own featured in the community, they will become more inspired to contribute regularly.

CONTENT POPULARITY

Community members want content that answers questions and enables improved knowledge. Content should be continuously reevaluated and improved to better meet the needs of your audience. Review content clicks, bounce rates, and engagement (likes,



comments, and shares). This will show which content members find most useful and where there is opportunity for improvement.

ACTIONS TIED TO REVENUE

Although this metric is often more difficult to measure, tying member interactions to revenue is a big win for Community Managers. By integrating a marketing automation system or customer relationship management system (CRM) with your community, you can track actions such as clicks and downloads back to leads, conversions and sales.

As you focus on these metrics, you will discover the strengths and weaknesses of your community. This insight enables companies to more effectively promote their communities, nurture engagement, and create a satisfactory experience for community members.



METRICS CHECKLIST:

- ___ What are the inbound sources?
- ___ How many people are viewing your content?
- ___ What content has the most clicks?
- ___ What content has the highest ranking or votes?
- ___ What content has the highest bounce rate?
- ___ What category is the most popular?
- ___ What category is the least popular?
- ___ What is the positive-to-negative rating ratio?
(Do people find the content helpful?)
- ___ How is traffic changing week to week? Month to month?

Online communities can deliver numerous benefits to businesses. From enhancing customer retention and crowdsourcing ideas, to customer service and brand awareness, communities are the answer. To be successful, companies must first define the purpose of their community and identify their target audience. Once established, it is important to continuously gauge user needs, create quality engagement, and measure the community's return on investment.

Encourage community advocates to contribute content and reward them with expert status or user badges



About DZone Software

DZone Software is a leading provider of enterprise knowledge management and knowledge sharing software. Our platform, TeamHub, is the foundation of our products and provides organizations with the tools they need to build, manage, and grow online knowledge sharing communities.

For more information, please contact
919-238-7100 or info@dzonesoftware.com.



Learn faster and
succeed with shared
knowledge.

DZONESOFTWARE.COM

(919) 238 7100

INFO@DZONESOFTWARE.COM