higher logic

eBook

Online Community 101

Discover the Basics and Benefits for Your Organization

How often do you get to interact with your customers, members, or users?

And how often do your customers, members, or users get to talk to each other?

If the answer is, "not often," or, "at our annual (virtual) conference" – you're missing out on a huge opportunity.

Interaction with your existing member or customer base has to happen more than once or twice a year if you want to unlock loyalty, retention, and growth.

When you can create continuous, meaningful interaction with your member or customer base, you open the door to incredible transformation.

Online community platforms are enabling organizations to connect their customers, members, partners, users, and employees all in one place and engage with them – every day.

This ongoing engagement can be the foundation for your shared success. That's the power of an online community.

If you're new to the idea of online community for organizations, this eBook is a great place to begin to understand both the basics and the benefits.

IN THIS EBOOK, YOU'LL LEARN:

- What online communities are

- How to choose the right kind of community for your customers or members

- How an online community benefits your organization

What are branded online communities?

Branded online community (n):

a dedicated online space created by an organization where users can connect with each other and with you

At its root, an online community is a group of people with a shared interest or purpose who use the internet to communicate with each other. You're probably in a few online communities yourself, whether it's NextDoor for neighborhoods or a Facebook or LinkedIn group around a common interest or software you use.

But the type of online community we're talking about here is one that your organization would build to connect your members, customers, employees, partners – whoever the community's members might be.

Your branded community is a professional network to bring people together around a centralized, shared organization-based experience or purpose for expansive online collaboration and growth.
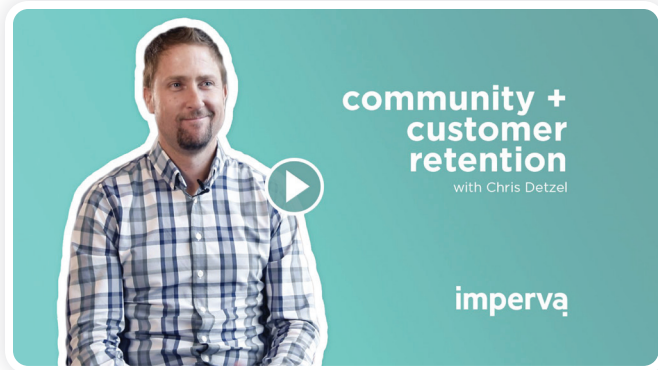
Hear how Imperva's customer community is improving the customer experience

Hear how ASAE's community is their Town Hall for members

> " Community engagement supports every member's success by giving them access to the knowledge and value of the entire community. By supporting them in their work, it inspires their loyalty. It exposes people to new ideas, prompts product and service use, and rapidly surfaces shifting needs."

– THE 2020 STATE OF COMMUNITY MANAGEMENT REPORT

Once your community members login for the first time (you can make your organization's community easily accessible from your website), they can participate in a variety of ways, like:

- Ask another member a question about how they did something
- Read top discussion posts from the week
- Suggest an improvement to something you offer
- Sign up to become a speaker at one of your events

But an online community is not just another piece of software that your organization buys — an online community is about creating a destination for real people. Your community can serve as the virtual town hall for your organization, or provide recognition, support, and connection when your customers or members need it the most.

Online communities take several forms:

- Private communities gated by a login or are invite-only
- Public communities that are easily searchable
- Hybrid communities that have some public elements but require a login for full use

Not all communities look and feel the same – they take many shapes and forms to fit the needs of their unique members and organization.

Considering Social Media for Your Community? Think Again — Here's Why

For real, community engagement to happen, users need to feel a high degree of comfort about their privacy, asking questions, and belonging to the space. Sharing and showcasing their expertise often gets diffused on social media platforms. We recommend using a proprietary community platform, for several reasons:

MORE CONTROL: If you create your community on social media or open source solution, you're subject to any and all of their changes, with no say, effectively building your house on rented land.

MORE SECURITY: Community vendors place privacy as top priority – it's their job. With a Facebook or LinkedIn Group, you have a limited ability to protect your members' privacy and your own information.

MORE DATA: With social media, those platforms gain invaluable data that your community will inevitably generate about your members and customers – you do not. If you create your own online community, you'll have access to all that data, helping you understand your users and creating a curated experience for your users.
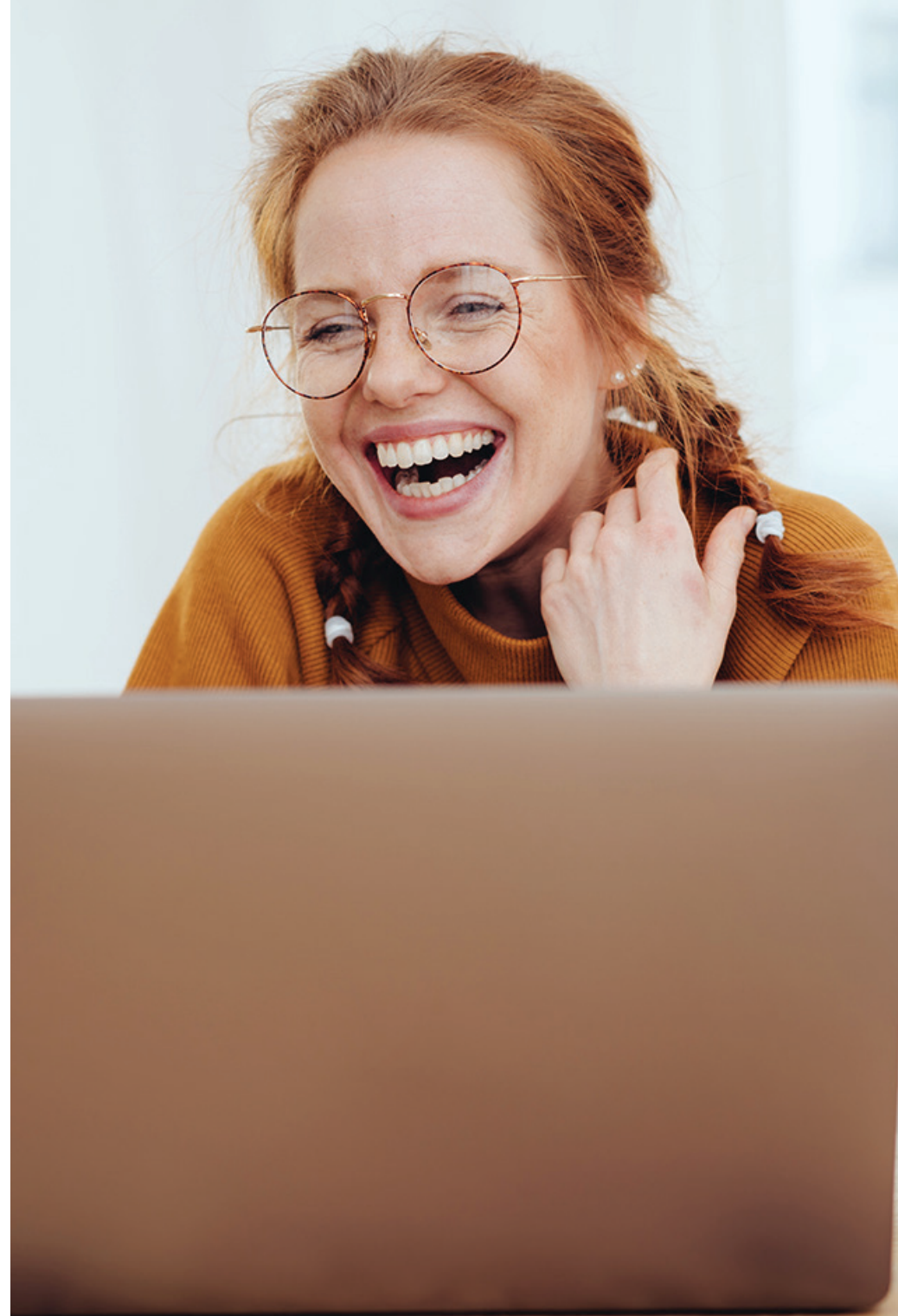
MORE COMMUNITY MANAGEMENT TOOLS: With a community platform like Higher Logic's, engagement tools are built in, specifically designed to help you encourage continued participation and buy-in from your users.

Find the Type of Branded Online Community that Works for You and Your Users

In order to bring everyone to your online community, you need to think broadly about everyone involved – how will both your organization and your future community members benefit from the space?

Communities should look different at different organizations – and you'll see many organizations accomplish multiple use cases within one community's walls (for example, providing peer-to-peer support alongside a community of practice).

Next, learn more about different types of communities you can launch.

TYPE OF COMMUNITY	DEFINITION	EXAMPLE
User Groups	Connect users to share strategies and best practices around a given product, often software. User groups connect people from different companies that all use your product in different ways to unlock new skills, address support issues, and problem-solve or troubleshoot. They aren't always associated with an organization itself; they can be formed by the users independently of the organization.	Higher Logic Users Group
Communities of Practice	Unite likeminded people with common problems to solve. These drive adoption and encourage conversation. These can be further broken down into special interest groups, which would address niche groups looking to find one another, from birders to stargazers to HR professionals in a specific vertical.	The Pragmatic Institute's Alumni Community Gain Grow Retain American Society of Association Executives (ASAE)
Learning and Networking	Dedicated around the study of a specific topic, whether that's connecting a cohort of students in an official program, giving event attendees a virtual way to meet, or offering up knowledge around a specific topic.	CFP Board

TYPE OF COMMUNITY	DEFINITION	EXAMPLE
Advisory Boards or Customer Councils	Brings hand-picked customers together who are interested in giving an organization feedback about their product. They may share their perspective as a software user or share thoughts on the direction you could take your company.	Discovery Education Network
Task-Focused Communities	Includes association chapter communities (similar idea to user groups), board communities (private area for an association's board to connect and discuss things instead of having to send emails), or committee communities (where committees meet to discuss and accomplish tasks).	ASM International
Support Communities	Connects customers to each other to get peer-to-peer technical and strategic support, whether that's about your product, services, or accessing your systems.	Jama Software
Event Communities	Engages attendees (and experts and your staff) of an event, whether virtual or in-person, to meet and network before, during, and after the event.	Super Forum

8 Benefits of Building a Branded Online Community

But like we said earlier, a community can accomplish far more than just one thing. Future-focused organizations invest in **online communities** because they know that sustained engagement (users coming, going, and returning) creates generative value.

Benefits from a branded community trickle down to increase satisfaction, revenue, and help grow entire organizations, including growing customer loyalty. With a community, you can:

- Create real connections
- Stand out from the competition with a better customer experience
- Generate leads and acquire new members
- Improve your products and programs by gathering and addressing feedback
- Decrease support costs by crowdsourcing support
- Increase revenue through in-community advertising and more
- Drive referrals by giving your advocates a voice in the community
- Grow your organization

Let's dive into each one of these benefits and why they matter for your organization.

Higher Logic's Community platform is designed to help you build an engaged community of users, retain them through personalized experiences, and grow your community and organization, together.

LET'S CONNECT →

1 Create real connections

Communities **create a link between customers and real people** at the organization. Users with questions can tag fellow members in a discussion or post a question and expect a response from a someone in the community. But most importantly, they can feel connected to something bigger than themselves.

"We heard a lot that teachers felt alone, like they were on an island, and they couldn't connect with anyone else. We started an online community because we wanted a place for our members to interact with each other."

— EDUCATIONAL THEATRE ASSOCIATION

If your customers or members can effectively function, create, and innovate with each other online, imagine the ripple effects throughout their experience – and your organization – everywhere else.

At the end of the day, if your community members know they have a community where their voice is heard, they'll become invested in the community. And that sense of belonging translates to higher engagement and loyalty toward your organization.

2 Stand out from the competition with a better customer experience

Online communities have many internal functions for your organization, from content creation to marketing intelligence, but for the users, they often play an enormous part in their experience and overall satisfaction. You and your competitors may look similar on paper, but an online community can be a great differentiator.

Research from Aberdeen **found** that firms with online communities grow customer retention rates by 15% year-over-year and achieve 42% greater average customer profit margin.

A community gives you a vehicle to stand out from the competition, answering questions and giving those moments of surprise and delight, either in real time or by developing products and services that match your customers' needs.

3 Generate leads and acquire new members

If you're looking to generate more leads or acquire more members, a community can be a great place to start. Why? Because a community makes you discoverable, and you're providing value right away. Aberdeen findings show that **an online community platform helps firms improve return on marketing investment** (ROMI) by 33 percent.

Communities with public sections create tons of user-generated content through discussion forums, articles, and updates that are indexed by Google. When prospects search for solutions to their problems, your community will show up in results, increasing brand awareness. As your user-generated discussions grow, the community grows in search authority, content, and relevance, boosting leads and brand awareness.

"One of my goals is to expand our audience and bring more traffic to our website, and the community is a really critical tool in helping us do that, in a way that no amount of marketing can do."

— ALLISON DOLAN, CHIEF CONTENT OFFICER
Educational Theatre Association

4 Feedback, ideation, and crowdsourcing

If you want users to engage with you and each other, you need to show them that they're being heard and you're taking their feedback and thoughts into account. Organizations use online communities to build meaningful relationships with customers or members, which translates into greater brand loyalty and upsell opportunities.

> *"When we started aggregating data [in our community], GDPR was strongly searched and frequently discussed in the community. So, we created a group and started pushing more GDPR content and resources based on the data we had collected. This was well before the regulation went into effect – we knew we had to be proactive. We put together a GDPR program much faster because we saw it growing early."*
>
> — REGGIE HENRY, CIO | American Society of Association Executives

Branded online communities are designed to start conversations about your organization and its offerings. Take full advantage of that by tracking the most common complaints, sources of confusion, and new feature ideas. All of these are areas where you can improve your product to make it more efficient and appealing to your market.

> *"As the director of community management, I'm the voice of the customer. I'm the instigator - the person who collects the ideas and pokes product management. Being able to source ideas directly from the community has been pivotal to supporting customer success."*
>
> – MICHAEL TOROK, DIRECTOR OF KNOWLEDGE AND COMMUNITY MANAGEMENT | Delphix

When you do make a change based on community member feedback, let the community know. Communities help you close the feedback loop and scale this level of communication. You may even win more loyal users because of it.

5. Decrease support costs

One of the greatest benefits of an online community, aside from driving positive member-driven and customer-focused communications, is the ability to empower your users to self-serve, reducing time you spend on **transactional calls** and **support costs.**

You can launch branded online communities to help users help themselves. Their user-generated content seeds the community with new ideas, expert articles, and answers to frequently asked questions. Struggling community members can search those resources any time, asking questions in discussion forums, or finding answers in videos and blogs.

> *"Our ticket volume has continued to go down since launching a community in 2014, even though our customer base has grown. The tickets that do come in are more technically challenging than they were in the past."*
>
> — KRISTINA KING, SENIOR MANAGER, CUSTOMER CARE
> Jama Software

In this way, users can relieve the burden on your customer support team by sharing creative ways to resolve issues and innovative ways to use your product, improving the value for every customer reading the discussion. Crowdsourcing common support and use case questions allows your support team to focus on more in-depth inquiries.

6   Drive revenue growth

A branded online community can help you earn more revenue through a combination of awareness, engagement, and data-driven sales enablement.

- Community members can naturally discover a course or product through discussions with other community members

- Sales teams can identify potential new members or customers through community activity

- Advertise your partners or sponsors in your community, or drive more interest in your own opportunities through advertising

Creating a community empowers your users to engage in discussions about your products and services, including providing feedback and sharing unique ways they're using your products to solve problems. They'll become more and more likely to take you up on that cross-sell or up-sell opportunity. The American Society of Association Executives (ASAE) **discovered** that their community users with at least one activity per month generated 5x more revenue than users with one or fewer activities per month.

DID YOU KNOW?

You can use **Higher Logic's** ideation tool to capture feedback and ideas by sending your customers and members to an ideas portal within your community, where they can share their suggestions. This could include new product features and enhancements or their experience with your organization.

7 Drive referrals and create loyalty through customer advocates

Users who love your organization and what you do want to talk about it. They want to share their stories and pass on their knowledge, and a community gives them a place to do that.

Developing an online community ambassador program nurtures your advocates and acknowledges the value they're providing to your organization. You can use gamification to highlight each advocate's contributions and recognize their efforts.

You can also give them special access to advance information about organizational updates and product releases to keep them "in the know" and inspire them to continue advocating for your organization.

Encourage your advocates to connect with their peers, other users, and prospects in the community at large as well. They're experts on your products, so they're great at spurring discussions, answering questions, and helping people find the best solution to their problem – all of which builds loyalty and encourages users to stay with you.

Learn how Delphix uses community to create a movement around their brand

COMMUNITIES EMPOWER MEMBERS

- 57% feel seen frequently or all of the time

- 63% feel heard frequently or all of the time

- 78% ask questions frequently or all of the time

- 70% provide solutions frequently or all of the time

THE 2020 STATE OF COMMUNITY MANAGEMENT REPORT →

8 | Grow your organization

Ultimately, communities help grow your organization. According to **2020 research from The Community Roundtable,** branded communities offer incredible ROI:

- Average overall communities see 4,530% ROI
- Advanced overall communities see 7,071% ROI
- External average communities see 6,130% ROI
- Internal average communities see 1,967% ROI

...that goes up as communities age.

<1 year: 1,469%

2 years: 2,778%

4 years: 4,136%

7 years: 4,782%

10 years: 5,315%

Thriving communities yield more value for every participant than they contribute.

- On average in an advanced community, a member contributes $67 of value per year and receives $614 of value per year.

- On average in an advanced community, an organization invests $153 of value per year and receives $682 per year.

TIP

Don't boil the ocean! Remember that this community growth doesn't happen all at once. It can be intimidating (and unrealistic) to think you have to reach these incredible metrics within the first year or two of launching your community. Almost all of the communities we've highlighted have grown over time. Many of them start with a singular focus and goal (e.g., offsetting customer support tickets), and then evolve into other goals and departments from there. It's by expanding use cases and gaining buy-in and content from your other internal teams that truly helps your community grow, thrive, and produce undeniable ROI for your organization.

Your Community Members Drive Community Value

Communities don't thrive just because of lists or products or processes. A community is multi-dimensional and vibrant. And it thrives because of the people that are a part of it. People are unpredictable, creative, and diverse, and bringing them together in a place where they can interact and engage can only benefit your organization.

By breaking down the traditional one-way exchange of information and opening up your communication, your community will deliver value far beyond expectations.

When you're able to tap into your community members' unique perspectives and invite them to share their expertise and knowledge with others, you inspire engagement and connections that are relevant and meaningful.

In the end, you will likely discover that people who feel like a critical part of the community because of their distinctive contributions are also those people who remain most loyal and lasting.

This cycle of distinctiveness – tapping into the unique qualities of people and allowing them to influence others – is just one way a community can enhance an organization's ability to communicate, grow, and remain relevant.

Get Started on Building Community with Higher Logic

We help our customers create thriving communities — powered by our expertise and human-focused engagement platform — designed to deliver personalized experiences that build enduring bonds, unlock collective knowledge, and accelerate growth.

REQUEST A DEMO TODAY

LET'S CONNECT

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