

Lithium

online community:
the heart of social strategy



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we help companies unlock the passion of their customers.

The Lithium Social Customer Suite allows brands to build vibrant customer communities that:

intro

With 1.43 billion people predicted to be social network users by the close of 2012,¹ mastering the social media marketplace and implementing online community strategy is fast becoming an imperative. But as our social customers leap from network to platform to app it becomes increasingly difficult for us to differentiate ourselves, measure success and show value. Fans and followers are strong channel performance indicators—they should be tracked—but most brands have figured out that they in themselves don't necessarily translate to business value. While most of us are keen to develop our social prowess, many still struggle with fundamental questions about how to support business objectives and **measure social media success** from our investments in the constantly emerging social media landscape.

In the face of all the new complexity social media brings, it becomes increasingly important that we are deliberate about the social customer experiences we deliver or we run the risk of putting our social customers through fractured and disjointed brand experiences without purpose. Likewise, it becomes important that we deliver social customer experiences through on-domain, owned hubs where we not only control the experience, but we own all the valuable social customer interaction data they produce. That owned, on-domain social customer experience solution is the online community.



why owned media matters

Unlike Facebook pages, online communities are customer networks we own. They can be fully branded and the way social customers experience them is entirely up to us. Remember how Facebook decided to put all brand pages into the Timeline format? Suddenly, the way our customers experienced our brand through the social network was turned on its head. That's the problem with social media that we don't own—its value is constantly at risk.

Yes, it's important that we show up where our customers congregate. They should be able to find us and strike up a dialog with us on Facebook and Twitter. But we'll always be severely limited when we engage with customers through public social networks. Since we have little control over the way the way our customers experience our brand on sites like Facebook and Pinterest, differentiating ourselves becomes problematic. Since we don't own the social customer interaction data that streams through Twitter, we can't capture it, analyze it, or derive any meaningful insight from it.

Unless, at the heart of our social strategy lies an **online community**. An online community is a central, flexible social customer experience solution that integrates easily with off-domain networks. Importantly, we own all the user-generated content it produces. We can harvest it, analyze it, and use it to inform the business. And we can continue to deliver the right social customer experiences for our brand no matter how the social media environment changes through simple online community management.

Online communities are owned, on-domain hubs where we can deliver social customer experiences that engage and enlist customers to help drive real business outcomes.

beyond connection: social customer engagement and enlistment

So, what are the right social customer experiences? They are those that go far beyond simply inviting customers to make a connection with us. Simple connections through social networks have little value in and of themselves when we can expect only 2% of those who like us on Facebook to ever return to the page.² In order to derive real business value from our social and online community strategy, the onus is on us to do far more than settle for a single, fleeting impression.

In order for social customer experiences to bring us real business value, they must engage and enlist, and this is precisely what an online community solution is designed to do. Online communities are places where brands can offer engaging social customer experiences—not just opportunities to like or follow—but to participate, to interact with other social customers like themselves, to solve problems, share ideas, and trumpet their enthusiasm for the brands and products they love.

When social customers become engaged in any of these behaviors, we are on our way to driving real business outcomes from social media. Engaged social customers tell their friends about our products and help drive word of mouth marketing. Enlisted social customers contribute to our forums and produce huge quantities of user-generated-content (UGC) that boosts search results. Deeply engaged and enlisted customers—our brand **superfans**—contribute support solutions that benefit everyone and reduce calls to the call center.

Only engaged and enlisted customers can help us to drive our business goals. Online communities give us the greatest opportunity to engage and enlist.

online community fundamentals

An online community at its most basic level is a collection of social engagement and enlistment apps where we can create personalized social experiences, manage and moderate conversation, reach a global audience, and drive website traffic with SEO.

Every successful community solution has four basic ingredients if expected to engage and enlist social customers to behave in ways that benefit the community: Utility, Relevance, Health, and Reach.

Community Utility

Great communities are useful—first and always. They should be places where human interaction is easy, where social customers become easily engaged because they can quickly find what they need and collaborate to solve problems. They are principally platforms for social customers to collaborate with each other and the brand, offering things like how-to content, tips and tricks. They should be places where the most useful content can be rated, ranked, tagged, curated and organized to facilitate an easy search-and-find.

Community Relevance

Like all social customer experiences today, community experiences must be—and stay—relevant. Communities that offer personalized dashboards, customizable content and personalized control over the community experience are better aligned with member needs and interests and therefore more deeply engaging. Communities that strive to remain fresh and relevant to their social customers enjoy higher participation rates—and better community health.










Community Health

Healthy online customer communities do a number of things right. More than featuring strong traffic, membership growth, fresh and relevant content, they are also responsive, interactive and lively. The healthiest communities put a strong focus on these last three components, often fueling interactivity with **gamification**—the introduction of gaming dynamics into the community experience in order to motivate greater participation and contribution.

Community Reach

Today, brands are expected to have enormous reach if we want our social customer engagement and enlistment strategies to succeed. By starting with community first and then extending that out to the greater web with smart social integrations, we not only show up where our customers hang out, but we bring all the benefits of community with us. Community experiences like peer-to-peer support, a place to give feedback and testimonials about brand experiences, to achieve rank and reputation, enter contests, exchange and vote on ideas—all designed to engage and enlist our social customers in helping to drive our **business goals**.

community social engagement apps

-  forums
-  blogs
-  ideas
-  contests
-  q&a
-  ratings & reviews
-  surveys & polls
-  videos & photos
-  knowledge bases

For more on community health, download **The Lithium Community Health Index** – a measure of community traffic, members, content, responsiveness, interaction and liveliness.

how online communities drive business goals

Exactly what we engage and enlist our social customers to do in an online community depends on the business goals behind our social strategy. There are four distinct types of online customer communities, each with a different strategic function that drives a unique set of specific business values.

Social Support communities enable customers to help each other more quickly and easily online. Their business value lies in how many service calls the community deflects and by how well customers rate their serviced experiences.

Social Marketing communities enable customers to share their passion for the brand and its products. Their business value lies in how the community improves SEO and Word of Mouth Marketing (WOMM).

Social Commerce communities enable customers to interact with peers and customer experts for advice and assistance throughout the purchase cycle. Their business value lies in how well they increase sales.

Ideation Communities enable companies to collect feedback on existing products and ideas for new ones. Their business value lies in how much they accelerate innovation and reduce the cost of bringing new products to market.

It's important that we keep the strategic function of our community in mind when we analyze success. Communities can, and often do, perform more than one strategic function. Those that do should have separate engagement and enlistment strategies for each function, separate KPIs and business outcomes against which to measure success.

The following table illustrates how to define online communities by their strategic function, which KPIs are relevant and what business value can be derived from each community type.



community type	strategic function	KPIs	business value
social support	Enable customers to support each other online	<ul style="list-style-type: none"> • # creators/critics in support community • # community questions • # questions answered by community • # solutions accepted by community • cost per solution • time to answer • positive ratings of content/answers 	<ul style="list-style-type: none"> ↑ customer satisfaction ↑ positive word-of-mouth ↑ revenue ↓ cost of support
social marketing	Motivate customers to share their passion for the brand and products	<ul style="list-style-type: none"> • Community traffic • SEO performance • Superfans identified/content created • Interactions per post • Content submitted/shared • Content performance • Contest participation • Pages shared • Promotional offers accepted 	<ul style="list-style-type: none"> ↑ brand awareness ↑ word-of-mouth marketing (WOMM) ↑ product consideration
social commerce	Connect potential customers to peers for reviews and product advice	<ul style="list-style-type: none"> • Conversion • Conversion rates • Order size • Returns • Repeat customers 	<ul style="list-style-type: none"> ↑ customer lifetime value
ideation	Motivate social customers to contribute product ideas	<ul style="list-style-type: none"> • Ideas generated • # creators/critics • Rating of ideas • # votes/ideas • # actionable ideas 	<ul style="list-style-type: none"> ↓ time to market ↓ cost of innovation ↑ product adoption/satisfaction

conclusion

In the complex social media landscape of today, it becomes increasingly important that we deliver social customer experiences that engage and enlist if we want our social customers to help us to drive real business outcomes. We must be deliberate about our social customer experience offering and the place we have the greatest control over that offering is through an online community.

Online communities offer our social customers the types of experiences they want, crave, even demand—peer-to-peer engagement, personalized social experiences, a place to share their enthusiasm for the brands and products they love, and lots of reward and recognition when they do. Best of all,

online communities are on-domain, owned hubs that offer up a wealth of valuable social customer interaction data that would otherwise be lost to us if we were to remain dependent upon public social networks like Facebook for the bulk of our social offering.

Online community solutions sit perfectly at the heart of social strategy because they are central to our engagement and enlistment strategies, and engaging and enlisting our social customers to behave in ways that drive real business outcomes are what make our social strategies successful.

resources

1 Facebook Helps Get One in Five People Worldwide Socializing on Online Networks, eMarketer, 2012

2 Study: Facebook Timeline Doesn't Affect Engagement, AllFacebook, 2012

Lithium social solutions helps the world's most iconic brands to build brand nations—vibrant online communities of passionate social customers. Lithium helps top brands such as AT&T, Sephora, Univision, and PayPal build active online communities that turn customer passion into social media marketing ROI. For more information on how to create lasting competitive advantage with the social customer experience, visit lithium.com, or connect with us on Twitter, Facebook and our own brand nation – the Lithosphere.