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Online Community Performance:
Driving Revenue or Becoming Dead Zones?

April 2015

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INTRODUCTION

Conceptually, branded, online communities[1] seem like a great strategy for increasing prospect and customer engagement and getting all the benefits of doing that: shorter sales cycles, a better customer experience, more loyal customers, and ideally, greater revenue. Modern marketers don't dispute these potential benefits of online communities. **What is largely unknown is the degree to which online communities are delivering these benefits.**

As they exist in their current form, do online communities represent more potential than kinetic energy? How well are the organizations that have online communities experiencing the benefits of having them?

Rather than serving as revenue-generating assets, many communities have become "dead zones," rarely visited and showing no signs of life. A comment made by one survey participant reflects this "dead zone" status: *"we can't figure out how to create one [a community] that actually works."*

Online communities have reached critical mass in terms of adoption, with a majority of organizations reporting that they have one. Even a vast majority of those that don't have an online community agree that these communities are an effective way to help drive revenue. What's less clear is how well organizations are using online communities to drive revenue. **For that to happen, communities must live in the critical path of creating the customer experience.**

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[1]*Demand Metric defines Online Communities as website and private Social Networks that enable members to interact in a controlled setting that are created and maintained by a company or group to foster communication among peers or likeminded individuals.*

INTRODUCTION

Furthermore, adequate participation by the right people is necessary, resulting in a steady stream of high quality content. This holistic blend of people, participation levels and content are creating results that meet expectations. This is not a difficult blend to understand, but it has proven elusive for many brands with communities.

In a study sponsored by Influitive, Demand Metric completed a survey to measure how well communities are performing. This research gathered data to learn what organizations were expecting when they implemented their online communities, and what outcomes they are getting, including who is participating in generating those outcomes. The goal of this study was to provide benchmarks that organizations can use to strengthen their online community efforts.

EXECUTIVE SUMMARY

Online communities are found across many industries, but they have a strong presence in technology sector, from which almost half of participants came. Most of the respondents were from B-to-B organizations that are experiencing revenue growth, and the size of company that responded to the survey ranges from less to $10 million to over $1 billion.

The analysis of this study's data provides these key findings:
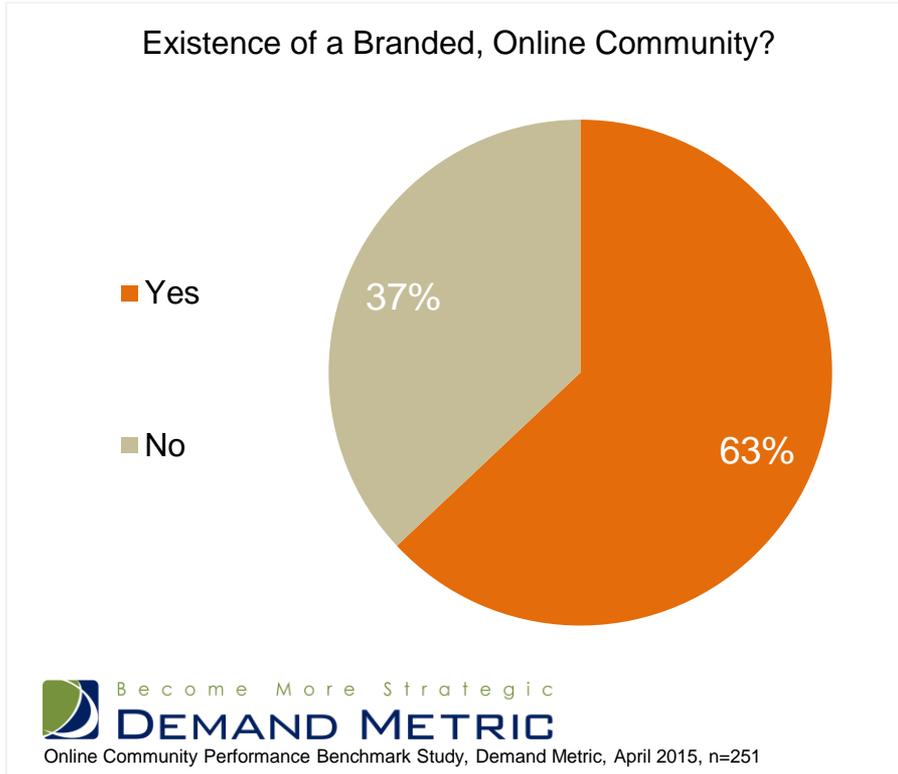
- **63% of organizations report having a branded, online community.**

- The most frequently cited reason (25%) for not having a community is that it is a low priority.

- **A vast majority (67%) of those who don't have a community believe that branded, online communities are an effective way to help drive revenue**, not just offset technical support costs.

- For respondents with communities, just 21% report that it is very likely for customers to encounter the community during the buying process, and just 18% say their community helps support that buying process to a great extent.

- **Just 6% of participants report that their communities are meeting all their expectations**, yet almost half plan to increase the budget, staff and resources for communities in the next year.

This report details the results and insights from the analysis of the study data. For more detail on the survey participants, please refer to the Appendix.

ONLINE COMMUNITY ADOPTION

Figure 1: Well over half of surveyed organizations maintain an online community.

Existence of a Branded, Online Community?

- Yes — 63%
- No — 37%

Online Community Performance Benchmark Study, Demand Metric, April 2015, n=251
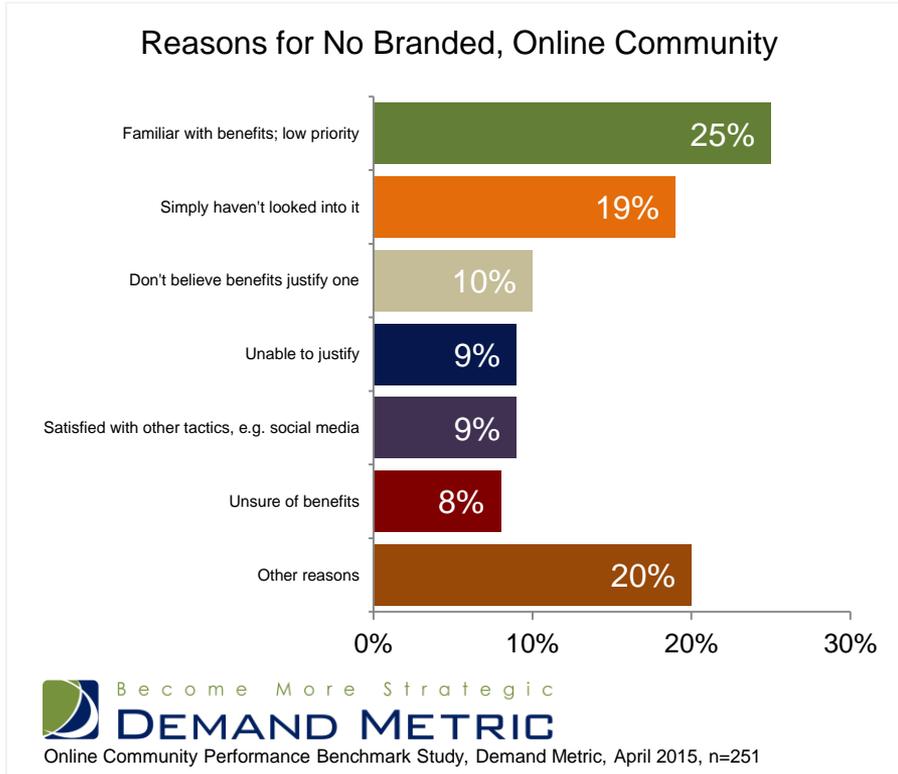
More organizations report having a branded, online community than not, as *Figure 1* **shows.**

In October 2014, Demand Metric published its initial research covering online communities, which also measured the presence of a branded, online community. **The adoption rates in that survey and this one are almost identical.**

Figure 2: The top reason cited for not having an online community is that it is a low priority.

Reasons for No Branded, Online Community

Reason	Percentage
Familiar with benefits; low priority	25%
Simply haven't looked into it	19%
Don't believe benefits justify one	10%
Unable to justify	9%
Satisfied with other tactics, e.g. social media	9%
Unsure of benefits	8%
Other reasons	20%

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While most of this current study focuses on those organizations that do have communities in place, those that do not were asked why. **This data helps uncover the perception of online communities from those who have yet to commit to one.**

Figure 2 summarizes the reasons survey participants provided for not maintaining an online community.

Figure 2 **shows that for the most part, participating organizations either haven't investigated implementing a community, or that having one is a low priority.** What's also clear is that few study participants view other tactics, such as social media, as good alternatives or replacements for online communities.

Online communities have achieved some level of differentiation in terms of their positioning as an approach to customer engagement.

ONLINE COMMUNITY ADOPTION

The second most frequently cited reason in this survey for not having an online community was "Other." With such a large percentage of participants selecting this "Other" response option, it's important to understand why. One participant shared:

"The main reason we don't have it is because we haven't had an internal team set up with resources to support it and provide the content as would be needed on a daily basis. We are moving in that direction, we just haven't gotten there yet."

Resources/personnel were many of the write-in comments given to the "Other" response option. Another participant states:

"We've just hired a Marketing Manager who will be helping with initiatives like this. Prior to her joining our organization last week we didn't have the personnel in place to own a full life cycle of marketing we'd like to implement."
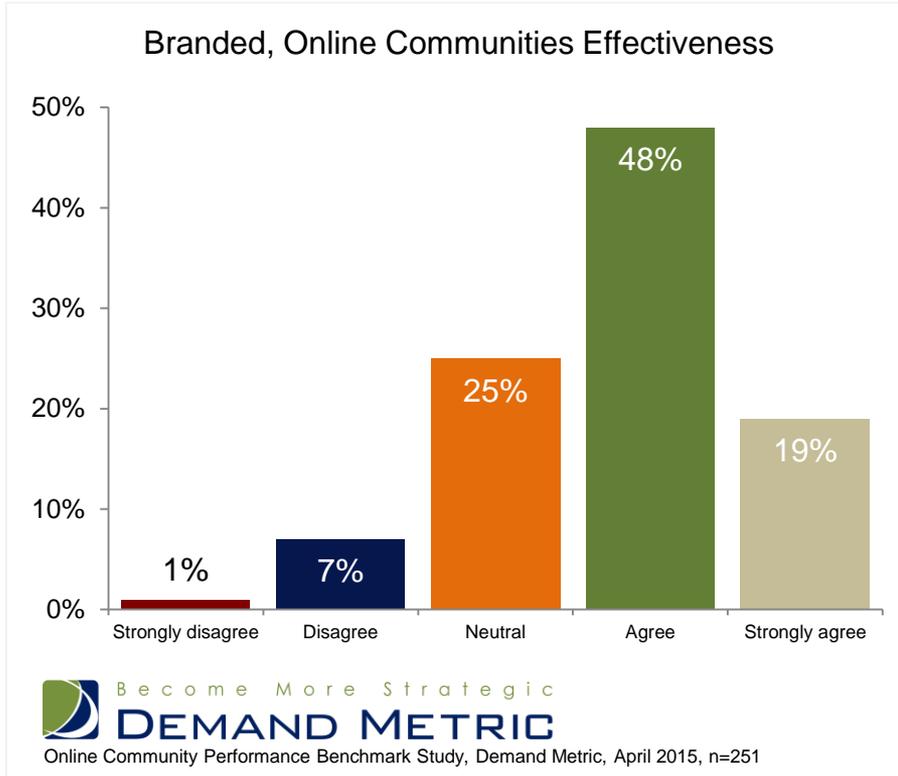
Other responses were:

- *"We tried it, but didn't want to put in all the work that would be required."*

- *"We're business to business with a small client base. Not appropriate for us."*

- *"We can't figure out how to create one that actually works."*

- *"We are familiar with the benefits, but we don't have the resources."*

These "Other" responses indicate that resource constraints are often behind the lack of an online community.

Figure 3: *Branded, online communities are an effective way to help drive revenue, not just offset technical support costs*

Branded, Online Communities Effectiveness

Response	Percentage
Strongly disagree	1%
Disagree	7%
Neutral	25%
Agree	48%
Strongly agree	19%

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Three response options – unable to justify, unsure of benefits, and don't believe benefits justify one – share the common theme of lack of clarity around benefits. **Together, these three responses are the reasons why over one-fourth of the participants have yet to implement an online community.**

Vendors, analysts and community advocates can all do more to create clarity around the benefits of communities.
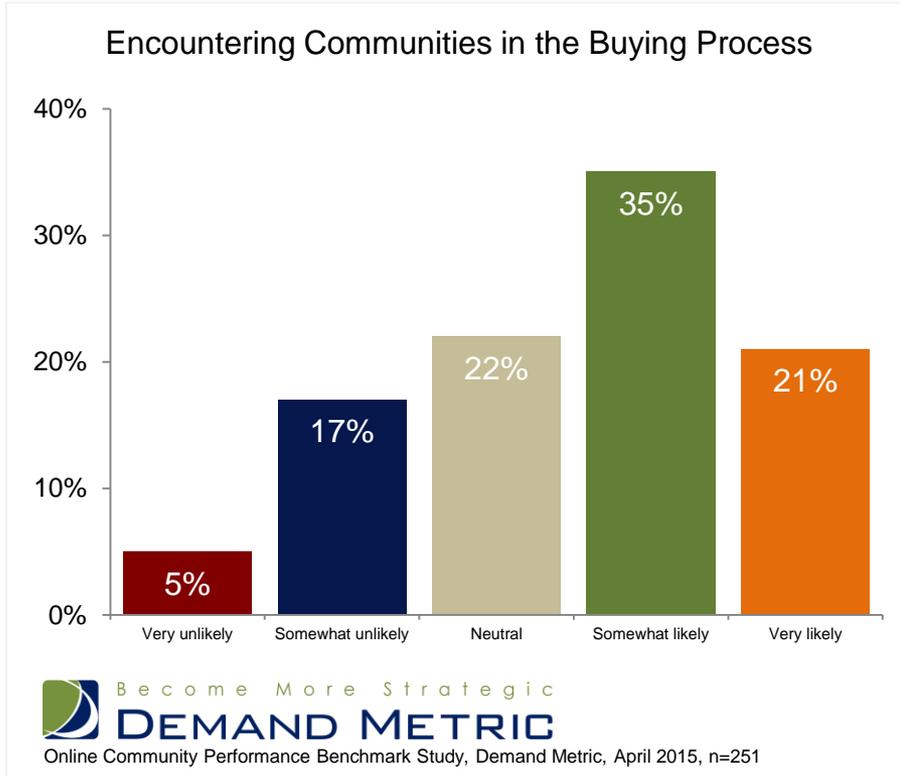
Online communities are a means for improving customer engagement. Delivering technical support is just one use case for a community.

As *Figure 3* **shows, the belief that communities can help drive revenue and are not limited to augmenting technical support is strong.** Just 8% of participants disagreed or strongly disagreed that branded, online communities drive revenue in *Figure 3*.

Figure 4: *It's more likely than not for customers to encounter the branded, online community during the buying process.*

Encountering Communities in the Buying Process

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The highest calling for an online community is to engage customers in ways that influence revenue. There's certainly a business case for a community to only help deliver technical support, but the best use of an online community is realized when it plays a role in driving revenue. **To realize this goal, communities must exist as major landmarks on the buyer's journey, encountered early and often in the journey.** *Figure 4* shows how well this is occurring for study participants with communities in place.

Over half of participants in *Figure 4* **report that it is somewhat or very likely for customers to encounter the online community during the buying process.** This seems encouraging for those that wish to have their community significantly influence the buying process.

However, for this influence to occur, customers must encounter communities early in their journey, so high visibility is essential. **In other words, it must be "very likely" that a buyer will encounter the community to consistently drive revenue.** Those encounters must be regular occurrences, not just happy accidents.

Figure 5: *More than half of communities in this study support the buying process to some extent.*

Online Community Support of Buying Process

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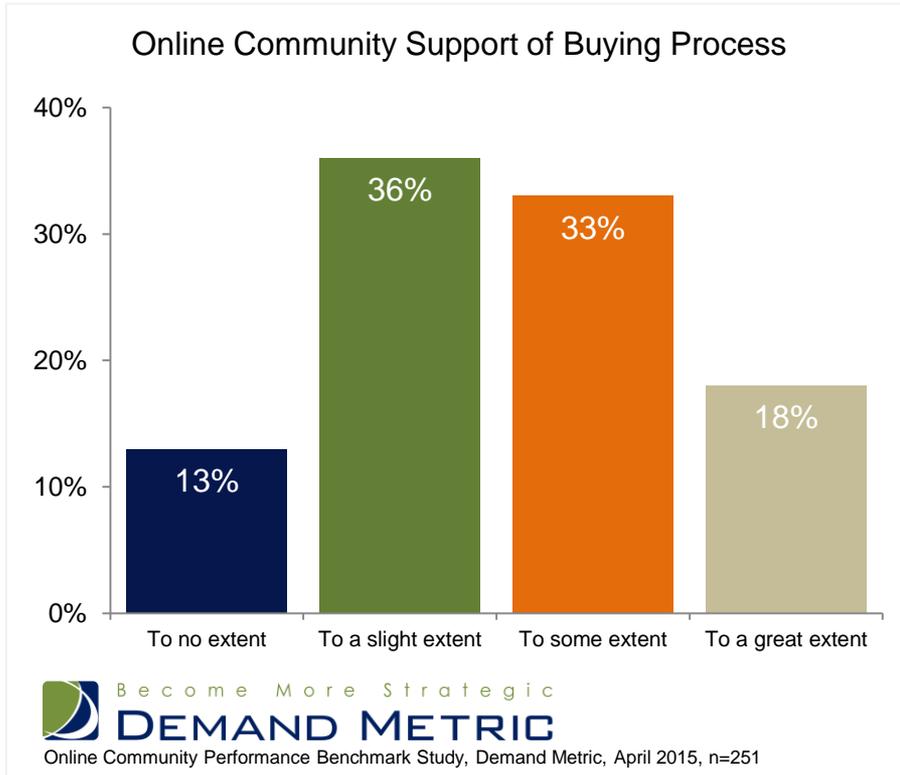
When customers do encounter the communities during the buying process, how well do they help start, accelerate or support that buying process?

The study posed this question to participants, and the results are summarized in *Figure 5*.

Figure 5 **reveals that online communities do indeed facilitate the buying process in some way, but only 18% are getting strong support from them.**

It's intuitive that exposure equals influence, an assumption that community managers hope is true.

COMMUNITIES AND THE BUYING PROCESS

The data in *Figures 4 and 5* provide the opportunity to test how strong the relationship is between community exposure and influence on the buying process, as *Figure 6* illustrates.

Figure 6: *Exposure to the community during the buying process translates into influence.*

Extent to Which the Online Community Supports the Buying Process	Encountering Communities During Buying Process: Somewhat & Very Likely	Encountering Communities During Buying Process: Neutral, Somewhat & Very Unlikely
To a great extent	28%	5%
To some extent	45%	18%
To a slight extent	24%	52%
To no extent	3%	25%

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The contrast presented in *Figure 6* is dramatic. **When it is somewhat or very likely that a buyer will encounter the online community during the buying process, 73% of study participants report that the online community supports the buying process to some or a great extent.** By contrast, when the chances are somewhat or very unlikely that a buyer will encounter the community, that same level of influence drops to just 23%.
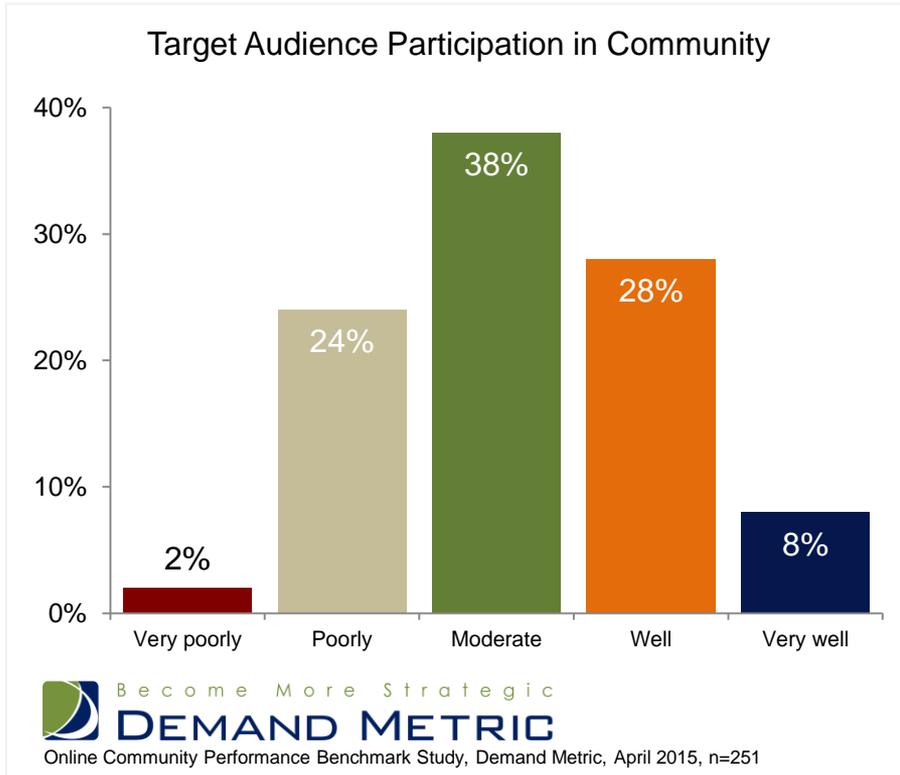
COMMUNITIES AND THE BUYING PROCESS

In the case of communities, *Figure 6* **proves that exposure does indeed equal influence.** Marketers that wish to drive revenue using online communities need to make sure those communities are directly in the path of buyers during their journey.

Community managers that aspire to have their communities drive revenue must certainly promote participation in the community. Participation alone, however, is not enough. **Participation by the right people, with the right level of frequency, and who are consuming and contributing quality content has everything to do with managing a community successfully.**

COMMUNITY PARTICIPATION & CONTENT

Figure 7: *Over one-third of study participants are doing well or very well at getting target audience participation in their communities.*

Target Audience Participation in Community

Very poorly	Poorly	Moderate	Well	Very well
2%	24%	38%	28%	8%

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Communities are ideally built with clear objectives and a specific audience in mind. *Figure 7* summarizes how well the communities in this study are getting participation from the audiences they target.

Participation in a community should come from several sources, such as executives, employees, industry thought leaders, business partners and, of course, customers and prospects. **In fact, broad participation generally makes communities more effective.**

However, for a community to achieve its objectives, it must have strong participation from the audience for which it was built. **Only one-third of study participants report that the target audience participates well or very well in their communities.**

COMMUNITY PARTICIPATION & CONTENT

Figure 8: On average, 70% of community members contribute at least monthly.

Contribution Rate by Avg. Community Member

Online Community Performance Benchmark Study, Demand Metric, April 2015, n=251
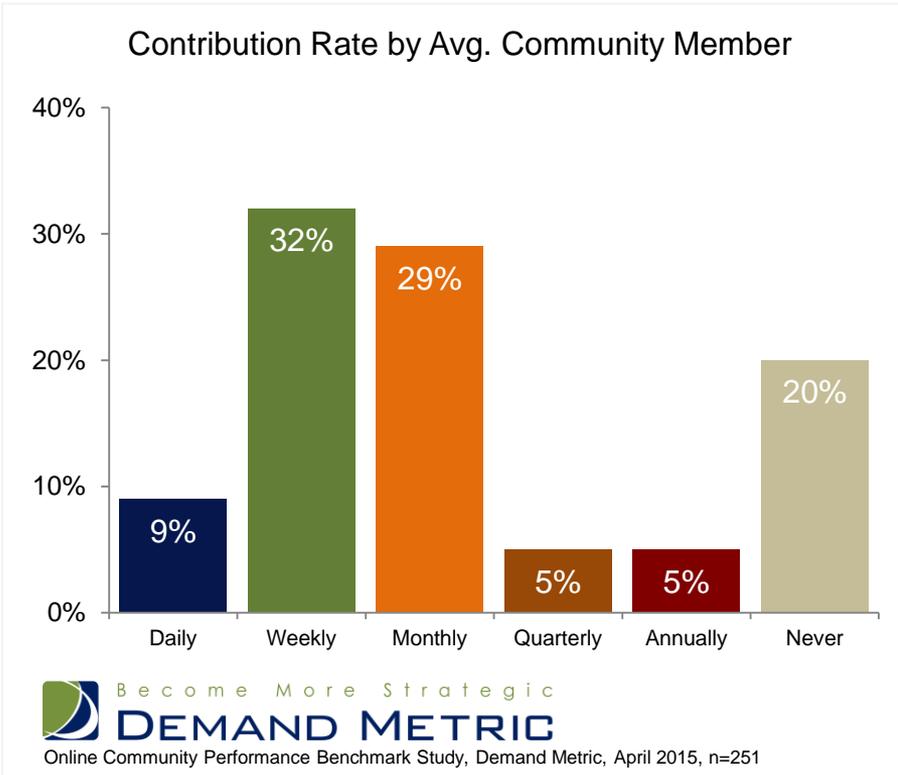
Not only must the right people belong to a community for it to succeed, they must contribute content or interact with enough frequency to have a vibrant community.

The current state of community participation and contribution frequency is shown in *Figure 8*.

Figure 8 **shows that 80% of community members contribute at some level, even if infrequently, while the remaining members join but never contribute.**

Just because a community member doesn't contribute doesn't mean that member gets no value from the community. If the content quality is high, even "lurkers" will get some value from membership. **However, the engagement benefits are not accruing for these members who don't contribute to the community.**

COMMUNITY PARTICIPATION & CONTENT

Figure 9: 82% of member-posted content was rated from moderate to very high in quality.

Content Quality Posted by Community Members

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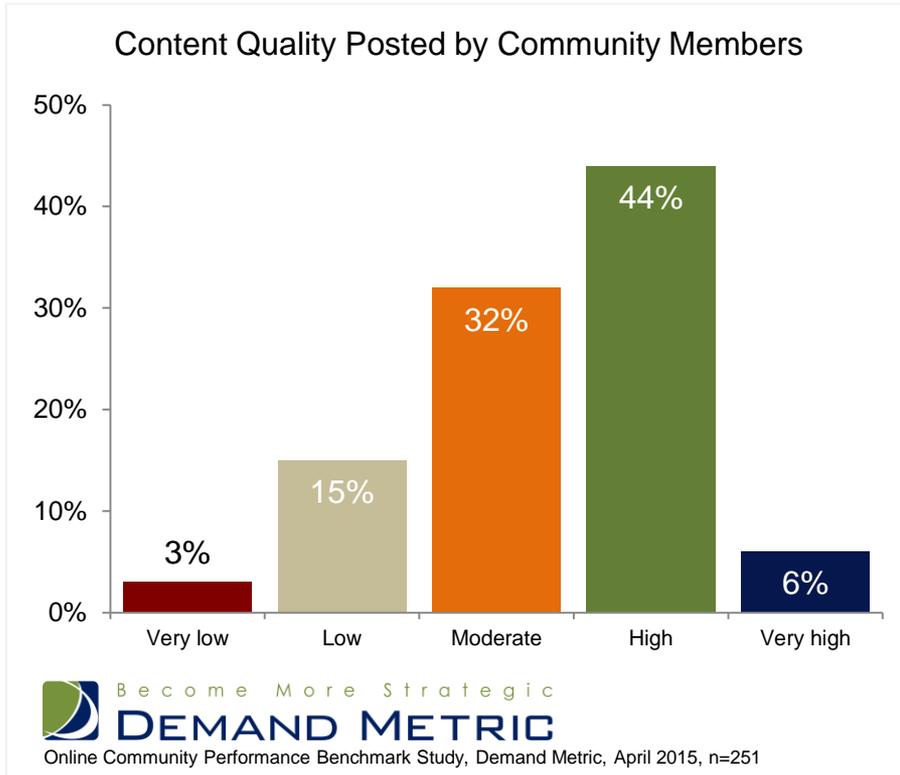
Even if a community initially does well attracting participation from its target audience, it will never sustain satisfactory engagement levels without quality content. **The failure of a community to offer quality content is a fast path to it becoming a dead zone.**

Figure 9 shows how organizations rated the quality and usefulness of member-posted content. **The definition given for "quality" here is how well content helps accomplish the community's goals.**

Community content quality skews slightly toward the high side of the distribution shown in *Figure 9*. **It is useful for comparison purposes to know that 50% of companies studied consider their community content quality as high or very high.**

COMMUNITY PARTICIPATION & CONTENT

It's more valuable to understand the connection between community content quality and the impact quality has on helping start, accelerate or otherwise support the customer buying process. *Figure 10* shows the strength of this relationship.

Figure 10: *The quality of member-posted content is a major factor in how well a community supports the buying process.*

Extent to Which the Online Community Supports the Buying Process	Member Posted Content Quality: High & Very High	Member Posted Content Quality: Moderate, Low & Very Low
To a great extent	28%	7%
To some extent	41%	25%
To a slight extent	24%	49%
To no extent	7%	19%

The magnitude and importance of ensuring that online communities are a source of quality content is easy to grasp from the data summarized in *Figure 10*. **When content quality is high or very high, almost 30% of survey respondents confirm that there is a strong spillover effect on the buying process.** Just 7% of respondents reported a similar effect when community content quality is moderate, low or very low.

COMMUNITY PARTICIPATION & CONTENT

The strength of the relationship in *Figure 10* **should compel every community manager to make extraordinary efforts to manage community content quality.** It is a challenge to control the content of contributors that are outside of your company.

Who wants to tell a valued customer that their community post was of poor quality or unhelpful?

The place to set expectations for what are acceptable posts and how posts are subject to review and editing before approval is when a new member first joins the community. The community on-boarding process should include presenting terms and conditions for community membership to each new member as a condition of membership. Those terms and conditions should include an explanation of how community managers can use judgment to correct spelling and grammatical errors, or otherwise modify content posted by members.

Figure 11: Study participant agreement with statements about community performance.

Selected Aspects of Community Performance

Aspect	Rating
Is an effective way to GENERATE leads	3.26
Is an effective way to QUALIFY leads	3.18
Is an effective way to accelerate revenue opportunities	3.25
Is a critical customer experience component	3.72
Is an effective way to engage customers	3.84

Scale: 1 Strongly Disagree — 5 Strongly Agree

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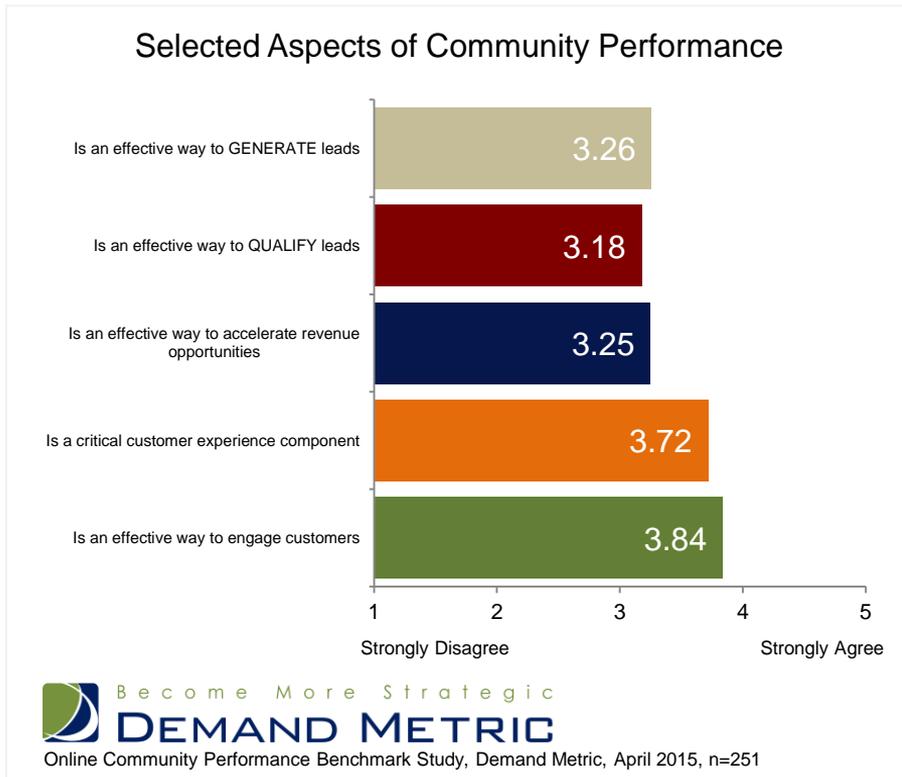Online Community Performance Benchmark Study, Demand Metric, April 2015, n=251

Figure 5 paints the broad picture of how well communities are helping shepherd buyers through their journey: just 20% of communities are helping start, accelerate or support the customer's buying process to a great extent.

Figure 11 breaks down the way communities perform in various stages of that journey.

Marketers and community managers understand that the degree to which communities perform better in each of the aspects listed in *Figure 11* has much to do with:
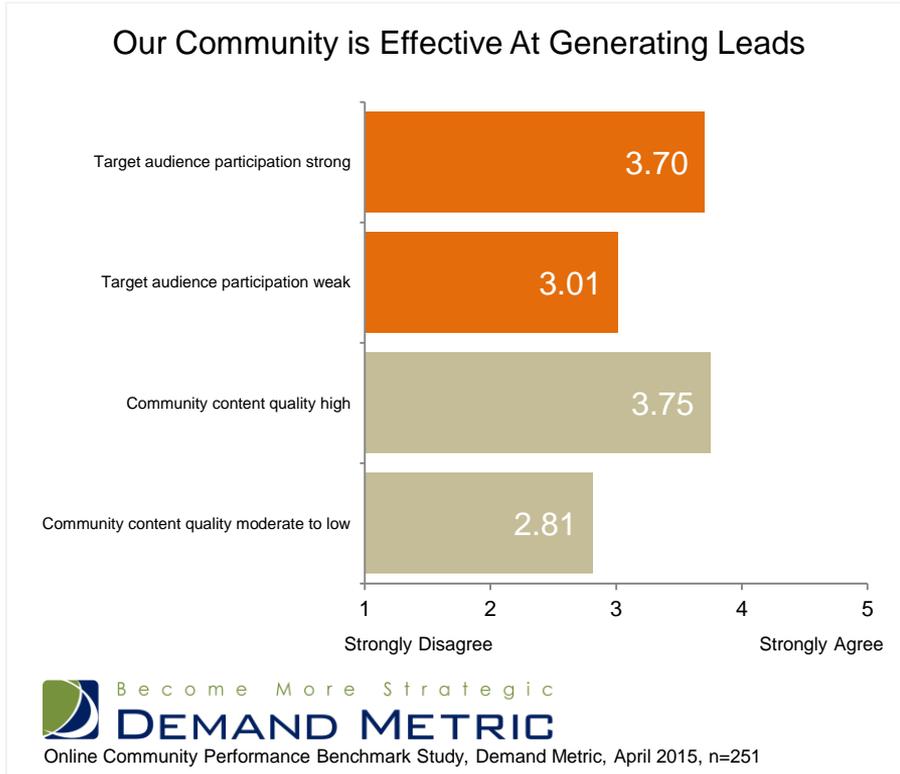
1. **Level of target audience participation**

2. **Frequency of community member contribution**

3. **Quality of community content**

Each attribute on this list was discussed in the previous section of this report.

COMMUNITY PERFORMANCE

Figure 12: *Community lead generation effectiveness is strongly related to target audience participation and community content quality.*

Our Community is Effective At Generating Leads

Category	Value
Target audience participation strong	3.70
Target audience participation weak	3.01
Community content quality high	3.75
Community content quality moderate to low	2.81

Scale: 1 (Strongly Disagree) to 5 (Strongly Agree)

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Several statistically significant relationships were discovered between these attributes and the performance characteristics in *Figure 11*. *Figures 12 through 16* provide more insight into these relationships.
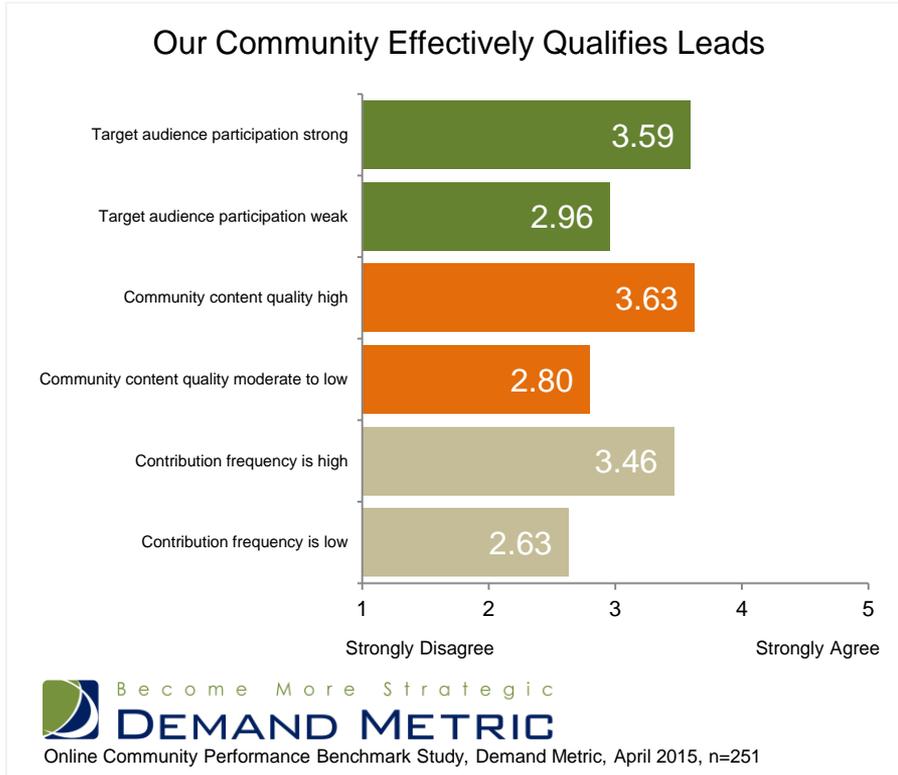
For lead generation, participation of the target audience is an obvious success factor, and the survey data bears this out. Another success factor is community content quality, which provides value and brand credibility as prospects encounter a brand's community during the discovery and considerations stages of their journey.

As prospects convert to become leads and then qualified leads, participation and content quality importance remains high.

Figure 13: Community lead qualification effectiveness strongly correlates to participation, content quality and contribution frequency.

Our Community Effectively Qualifies Leads

Category	Score
Target audience participation strong	3.59
Target audience participation weak	2.96
Community content quality high	3.63
Community content quality moderate to low	2.80
Contribution frequency is high	3.46
Contribution frequency is low	2.63

Scale: 1 (Strongly Disagree) to 5 (Strongly Agree)

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Frequency of contribution to the community also enters the picture, as *Figure 13* shows.
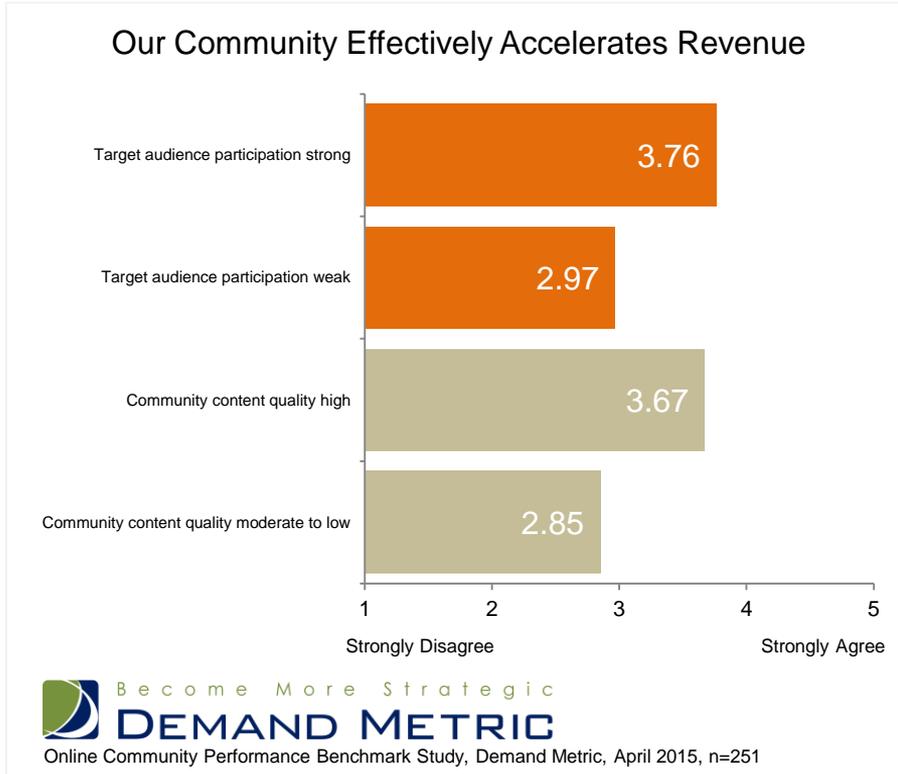
Where a community's effectiveness at qualifying leads is concerned, contribution to the community is a critical success factor for two reasons:

- **First, getting a lead involved in contributing to a community is a strategy for nurturing that lead toward qualification.** For this reason, the use of various incentives, referrals and rewards to encourage contributions becomes important.

- **Second, a lead's level of contribution serves as a good gauge of qualification.** Strategies for driving higher levels of community contribution therefore have a compelling business case.

Figure 14: *Online communities as a revenue-accelerating asset strongly correlates to participation and content quality.*

Our Community Effectively Accelerates Revenue

Target audience participation strong	3.76
Target audience participation weak	2.97
Community content quality high	3.67
Community content quality moderate to low	2.85

Strongly Disagree — Strongly Agree

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It's probable that many will assume that because a lead is qualified, it has the motivation to join and contribute to a brand's community. This cause-and-effect relationship is certainly true. What also is true is that this relationships works in both directions: **the ability for a brand to effectively engage leads through its community helps convert leads to qualified leads.**

When the quality of community content is high, it streamlines a prospect's passage from lead to qualified lead (*Figure 14*).

The same relationships exist for accelerating revenue as for generating leads: **target audience participation and community content quality.**

Figure 14 confirms what community managers assume is true: **getting the right people involved in the community and providing them a steady stream of quality community content through does indeed help accelerate revenue from that target audience.**

Figure 15: *Communities as a component of the customer experience strongly correlates to participation, content quality and contribution frequency.*

Our Community is Vital to Customer Experience

Category	Value
Target audience participation strong	4.45
Target audience participation weak	3.25
Community content quality high	4.37
Community content quality moderate to low	3.09
Contribution frequency is high	4.03
Contribution frequency is low	3.00

Scale: 1 (Strongly Disagree) — 2 — 3 — 4 — 5 (Strongly Agree)

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Having a community function as a critical component in the customer experience is aided substantially by all three relationships depicted in *Figure 15*. **Having strong, target audience participation is a prerequisite, but the audience must not only perceive the content quality as high, it must also contribute on a regular basis: either daily, weekly or monthly.**
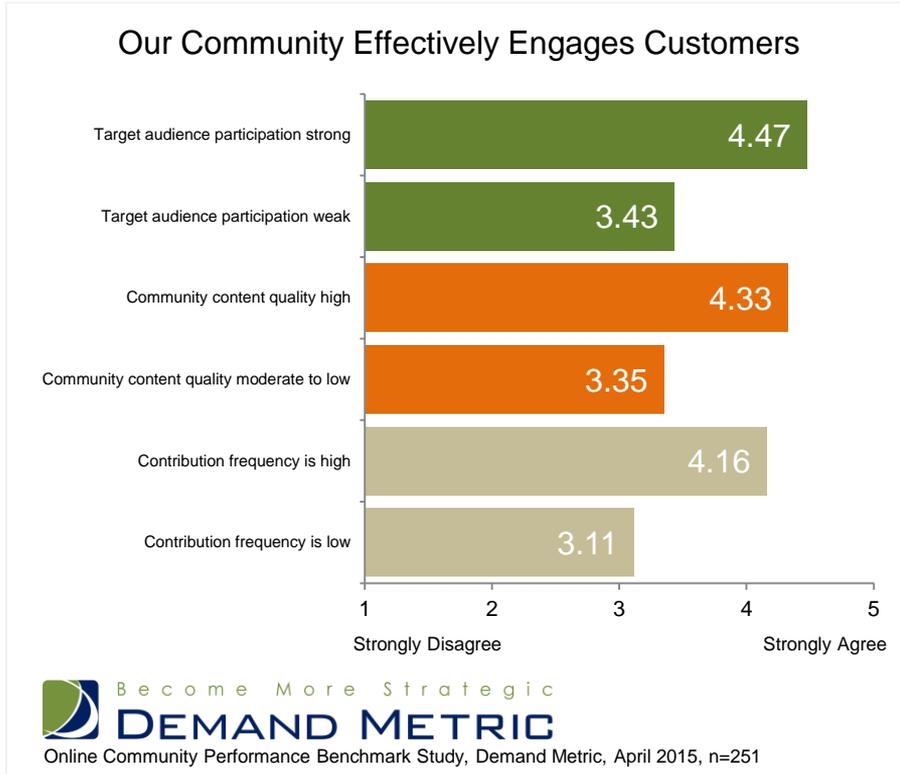
When these conditions exist, a community is in no danger of becoming a dead zone. Instead, it becomes a key feature on the customer experience landscape.

The relationships shown in *Figure 15* **are particularly strong, as the delta separating the low and high (or strong and weak) groups is each at least one full point on the scale.**

Figure 16: *Communities as an effective engagement strategy strongly correlates to participation, content quality and contribution frequency.*

Our Community Effectively Engages Customers

Target audience participation strong	4.47
Target audience participation weak	3.43
Community content quality high	4.33
Community content quality moderate to low	3.35
Contribution frequency is high	4.16
Contribution frequency is low	3.11

1 — Strongly Disagree ... 5 — Strongly Agree

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Engagement is ultimately the most important characteristic to nurture with a community, because when levels of customer engagement are high, there is a cascading effect in several, beneficial areas that ultimately result in revenue.

The relationships shown in *Figure 16* **are also strong, as the delta separating the low and high (or strong and weak) groups is more than one full point on the scale for target audience participation and contribution frequency, and almost a full point for community content quality.**

What *Figures 12 through 16* soundly reinforce is what community managers instinctively know about what makes communities work as revenue-generating assets: **getting the right audience involved in the community, getting that audience to participate with enough frequency, and ensuring that the community content quality remains high.** When these three conditions are met, a community provides value to prospects, pulling them into the embrace of the community, which has favorable revenue implications.

COMMUNITY PARTICIPATION

Figures 12 through 16 show how important target audience participation is to having a community function as a revenue-generating asset. To better understand participation, study respondents ranked who is currently responsible for most of the content or queries posted to their communities. They also ranked separately who ideally they want to see posting content or queries to their communities. *Figure 17* summarizes these rankings.

Figure 17: *The top and bottom ranked contributors are identical, but the middle ones differ.*

Currently Posting Content or Queries	Ideally Posting Content or Queries
1. Loyal customers who are advocates	1. Loyal customers who are advocates
2. Your community manager(s)	2. Customers who need support
3. Customers who need support	3. Industry thought leaders
4. Your employees (not community mgrs.)	4. Prospects
5. Business partners	5. Your employees (not community mgrs.)
6. Industry thought leaders	6. Your community manager(s)
7. Your executives	7. Business partners
8. Prospects	8. Your executives
9. Disgruntled customers	9. Competitors
10. Competitors	10. Disgruntled customers
11. Others	11. Others

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COMMUNITY PARTICIPATION

Moving prospects up the list from their currently 8th ranked position (left column of *Figure 17*) to 4th (right column in *Figure 17*) represents is a big jump. **It's a necessary move if communities are to function as revenue-generating assets.**

Likewise, industry thought leaders must jump up three spots to reach the ideal position in this ranking. When viewing these rankings, the best question to ask is: *"What is the right ranking?"*

The answer depends on the objectives in place for the community.

Regardless of the objective for a community, it's difficult to argue that loyal customers who are advocates should not occupy the top spot in any ranking. If the objective is to deliver support, these customers are eager to help with that mission. Likewise, if the objective is to generate revenue, loyal customers through their advocacy influence prospects, provide credibility and accelerate purchase consideration. **It's always a good thing to see loyal customers in the top spot of these rankings.**

The real question, then, is who should occupy the second spot?

If the objective is to deliver technical support, it's hard to argue against having customers who need it in the second spot of these rankings. Likewise, if the objective is to influence revenue, then prospects should occupy the second spot.

COMMUNITY PARTICIPATION

Using *Figure 5* as a filter – the extent to which communities support the buying process – *Figure 18* ranks who is currently posting content or queries in two groups: those where the community supports the buying process to a great or some extent, and those who support the buying process to a slight or no extent.

Figure 18: Ranking contributors based on how well communities support the buying process (Figure 5).

Support the Buying Process to a Great or Some Extent	Support the Buying Process to a Slight or No Extent
1. Loyal customers who are advocates	1. Loyal customers who are advocates
2. Customers who need support	2. Your community manager(s)
3. Your employees (not community mgrs.)	3. Customers who need support
4. Your community manager(s)	4. Your employees (not community mgrs.)
5. Industry thought leaders	5. Business partners
6. Your executives	6. Your executives
7. Business partners	7. Prospects
8. Prospects	8. Industry thought leaders
9. Disgruntled customers	9. Disgruntled customers
10. Competitors	10. Competitors
11. Others	11. Others

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COMMUNITY PARTICIPATION

If communities are to serve as revenue-generating assets, prospects rank too far down both lists in *Figure 18* **to give confidence that a community is meeting its objective.** Likewise, for communities that are supporting the buying process to a slight or no extent, community managers rank second, indicating that they carry a much greater contribution load than is ideal, probably because not enough content is coming from other sources.

Figure 18 compares who is currently contributing content based on how well communities support the buying process. *What about the ranked list of who should ideally contribute content?* **A table is not necessary for this comparison, because this ranking is virtually identical for the two groups:**

1. Loyal customers who are advocates

2. Customers who need support

3. Industry thought leaders

4. Prospects*

5. Your employees (other than community managers) **

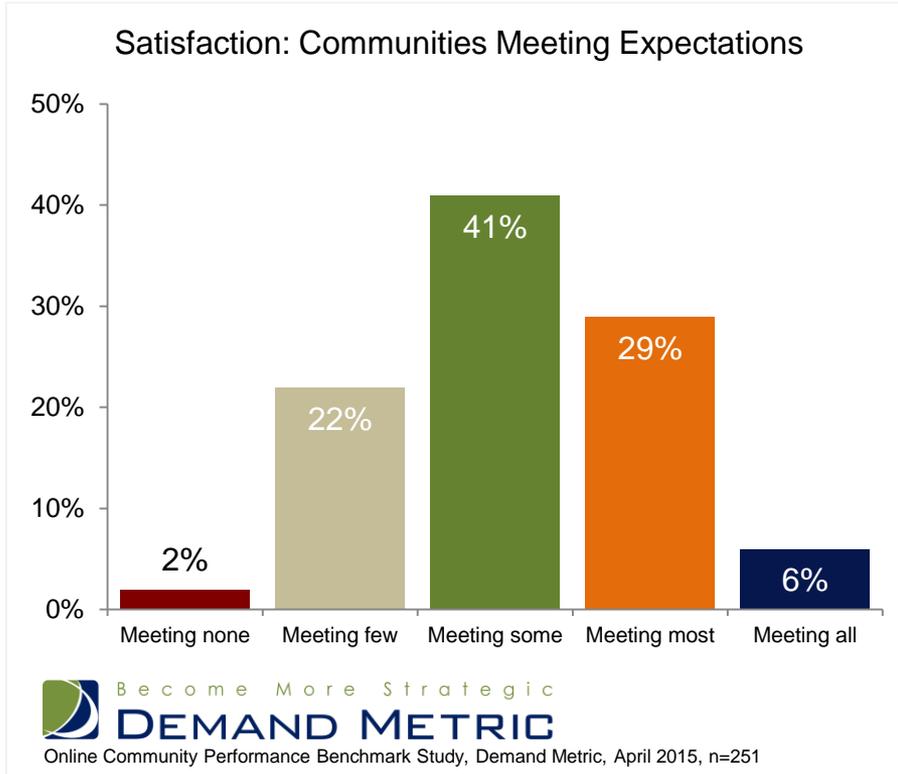* Ranks 5th for group where community supports buying process to a slight or no extent.
** Ranks 4th for group where community supports buying process to a slight or no extent.

It's worth noting that community manager(s) didn't make the this top five ranking, indicating an understanding that content ideally is contributed from other sources, leaving community managers free to nurture participation and manage the contributions of others.

Figure 19: Satisfaction, in terms of how well online communities are meeting expectations, has a normal distribution.

Satisfaction: Communities Meeting Expectations

- Meeting none: 2%
- Meeting few: 22%
- Meeting some: 41%
- Meeting most: 29%
- Meeting all: 6%

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For organizations that have online communities, how they ultimately fund, support and allocate resources to them has everything to do with how well they are meeting expectations.

Figure 19 shares the current level of satisfaction.

It's not hard to determine what is different for those who report that their communities are meeting most or all expectations, compared to those who report none or few expectations are being met: **those whose communities are a "dead zone."**

COMMUNITY SATISFACTION & SUPPORT

Figure 20: Big differences exist between groups, the smallest delta being 35 percentage points.

	Most or All Expectations Met	None or Few Expectations Met
% Somewhat or very likely that customers encounter community during the buying process	66%	31%
% Community helps start, accelerate or support buying process to some or a great extent	63%	15%
% Target audience participation is well or very well	69%	0%
% Average member contributes daily, weekly or monthly	89%	27%
% Community content quality is high or very high	71%	8%

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Figure 20 contrasts these groups across several variables and shows the formula for a community that meets expectations:
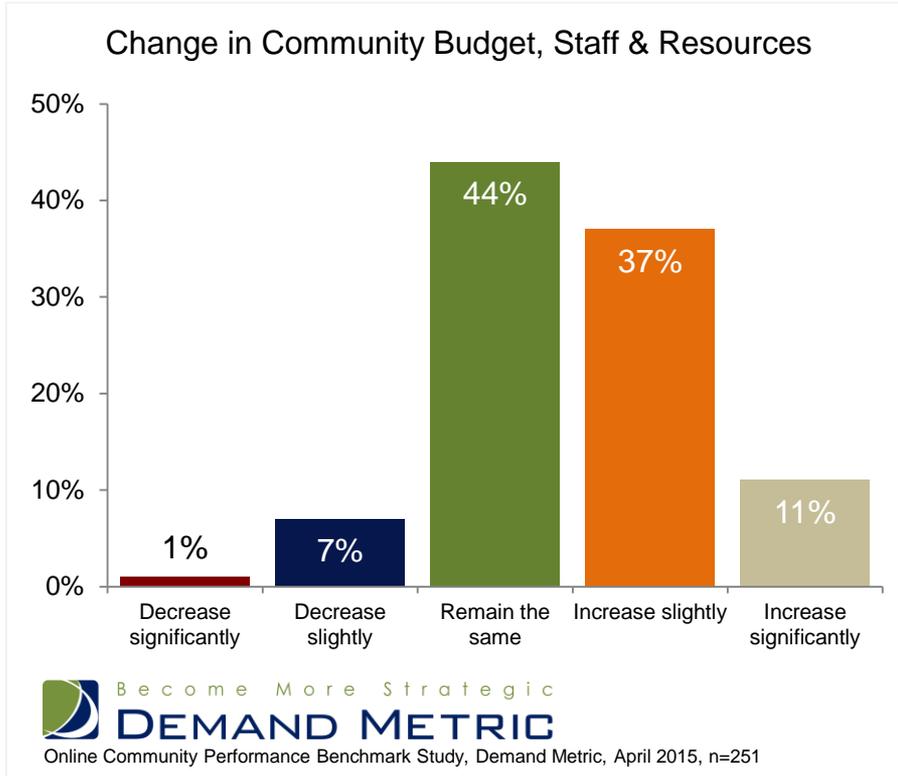
1. Place it unavoidably in the path of the buyers on their journey.

2. Intentionally recruit target customer participation.

3. Incent frequent contribution.

4. Ensure community content quality remains high.

These practices will assure a community doesn't become a dead zone, and instead serves as a revenue-generating asset. How strongly companies believe in communities is reflected in their willingness to fund and resource them. *Figure 20* shows the willingness of this study's participants to do that.

COMMUNITY SATISFACTION & SUPPORT

Figure 21: Almost half of study participants plan to increase community funding.

Change in Community Budget, Staff & Resources

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The fact that just 8% of study participants indicate plans to decrease funding, staff and resources in the next year is a de facto vote of confidence in communities. Even when looking at just those who report that their communities are meeting some, few or none of their expectations, the percentage of those with plans to decrease funding, staff and resources is just 11%.

Even when communities aren't meeting expectations well, there is willingness to continue supporting them and tremendous optimism for their potential. For organizations whose communities are meeting expectations at a high level, it represents validation.

ANALYST BOTTOM LINE

When it comes to meeting expectations, communities have a long way to go. **Just 6% of this study's participants share that their communities meet all their expectations, while almost one-fourth report that their communities are meeting few or none of their expectations.**

As revenue-generating assets, what communities do have is plenty of upside potential. Over two-thirds of those in this study who do not have a community still agree that branded, online communities are an effective way to help drive revenue, not just offset technical support costs. **Furthermore, over half of those with a community say that their community helps start, accelerate or support their customers' buying process to some or a great extent.**

When it comes to having communities function as revenue-generating assets, the wish list for community performance is to have them effectively generate and qualify leads, accelerate revenue and serve as a key lever for customer experience and engagement. Communities are capable of realizing these objectives, but to do so, organizations must intentionally manage these aspects of their communities:

▪ **Get the right people in.** No one should need a study to know that for a community to succeed, it needs the membership and participation of the right people. *The question is, how to get them on board?* Community managers must first know exactly what the target audience looks like – consider using a persona to make this very clear. Next, recruit those people into the community using incentives, rewards and invites from advocates already in the community, rewarding these advocates for their recruiting activities as well. **A handful of advocates, properly motivated and rewarded, can build a powerful community.**

▪ **Provide a quality member experience.** Members must perceive value coming from community membership. A great facilitator and indicator of value of contribution frequency. Frequent here is daily, weekly or monthly contributions. Members cannot feel that their contributions are a favor to the community host. While there is some intrinsic value to contributing to a community, over

the long term, the satisfaction of doing so will wear thin. Instead, members must associate getting value with regular contribution. Community managers should therefore incent and recognize contributors for their advocacy. **Be prepared to invest something to keep the community vibrant. Gamification, social capital, status and other strategies are appropriate for driving the kind of participation that creates value for members.** Don't just expect member goodwill alone to do this job for you.

- **Ensure that the community content quality remains high.** Even with the very best incentive and recognition strategy, a community that doesn't keep content quality high can't flourish. Community managers are wise to have content standards as part of the membership agreement. This doesn't mean that managers reject content that doesn't meet the standards – to do so would discourage participation. **What it does mean is that community managers work with members who post content to help them with friendly, suggested edits to help their content reach a broader audience.**

- **Keep prospects in mind.** Unless a community is designed solely as a technical support adjunct, constantly optimize the community to better reach prospects. If a community's goal is to drive revenue, then prospects have to receive value from the community, and participation has to provide value for them. If it doesn't, then the revenue goal is unattainable. **Advocates and their contributions to the community will play a critical role in making a community work for attracting and converting prospects, so build a reward structure to encourage this type of advocacy.**

- **Intersect the buying process.** Don't count on prospects stumbling upon the community and having it influence their consideration. **Understand the customer journey and place the community directly in this path, in several places.** Don't force community membership on prospects, but make knowing of its existence and potential value unavoidable.

ANALYST BOTTOM LINE

Communities will meet expectations when they are placed squarely in the center of the buyers' path, when target customer participation is invited, nurtured and rewarded, when their frequent contribution is encouraged through incentives and community content quality is managed to a high level. **Advocates have an important role to play in building this kind of community that serves as a revenue asset, rather than becoming a dead zone.**

ACKNOWLEDGEMENTS

ABOUT INFLUITIVE

Influitive, the advocate marketing experts, is based in Toronto with offices in Palo Alto and Boston. Today's buyers are increasingly leveraging their peers' opinions and Influitive helps marketers tap into this force with its innovative AdvocateHub platform and Maven mobile app.

By capturing the enthusiasm of their best customers, followers and evangelists, marketers gain direct support for their sales and marketing programs. From social media reviews and customer referrals to case studies and references, passionate advocates help support all stages of the buying cycle. Influitive's customers include some of most successful and fastest-growing business-to-business software and technology firms in the world.

For more information, please visit www.influitive.com.

ABOUT DEMAND METRIC

Demand Metric is a marketing research and advisory firm serving a membership community of over 55,000 marketing professionals and consultants in 75 countries.

Offering consulting methodologies, advisory services, and 500+ premium marketing tools and templates, Demand Metric resources and expertise help the marketing community plan more efficiently and effectively, answer the difficult questions about their work with authority and conviction and complete marketing projects more quickly and with greater confidence, boosting the respect of the marketing team and making it easier to justify resources the team needs to succeed.

To learn more about Demand Metric, please visit: www.demandmetric.com.

APPENDIX – SURVEY BACKGROUND

This Online Community Performance Benchmark Study survey was administered online during the period of March 4, 2015 through March 20, 2015. During this period, 292 responses were collected, 251 of which were complete enough for inclusion in the analysis. The data was analyzed to identify insightful relationships between variables in the study and to ensure the statistical validity of the findings. The representativeness of these results depends on the similarity of the sample to environments in which this survey data is used for comparison or guidance.

Summarized below is the basic categorization data collected about respondents to enable filtering and analysis of the data:

Primary Role of Respondent:

- President, CEO or Owner (18%)
- Marketing (61%)
- Sales (6%)
- Other (15%)

Revenue Growth (Most Recent Fiscal Year):

- Significant increase (27%)
- Modest increase (51%)
- Flat (17%)
- Modest decline (4%)
- Significant decline (1%)

Annual Sales:

- Less than $10 million (45%)
- $10 to $24 million (19%)
- $25 to $99 million (8%)
- $100 to $499 million (12%)
- $500 million to $999 million (5%)
- $1 billion or more (11%)

Type of Organization:

- Mostly or entirely B2B (69%)
- Mostly or entirely B2C (8%)
- Blend of B2B/B2C (23%)

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