# **Community Life Cycle**

How to launch a customer community based on business ROI and customer needs, integrate it into your channels, processes and systems, and keep it active and relevant.





Community Life Cycle

The inSided Community Life Cycle model describes the various life stages of a community and helps to determine the activities required to take your online community to the next level. When setting up a strategy, an action plan is formulated in accordance with the community's current life stage.

Several models detailing the developmental stages of online communities are available. With over ten years of experience in developing online communities, inSided has added its own unique expertise to the existing models, creating the inSided Community Life Cycle model. The inSided model specifies five life stages: development & implementation, construction, establishment, maturity and segmentation. Each stage was assigned an average time period, indicating how long it usually takes for communities to reach the next phase. The actual time period for individual communities depends on various factors. This white paper describes the various stages and their characteristics, as well as the activities that promote growth into the next phase. The examples serve as a source of inspiration for drawing up a community development strategy.

**46** As social technology-based customer communities will become a standard – and strategic – component of virtually all customer engagement and marketing programs, we predict that by 2017, 80% of Fortune 500 will have an active customer community.



# **Development & Implementation**

The launch of an online community is preceded by the implementation process, which provides the foundation for the community. By involving both internal and external stakeholders, this stage can also be used to raise support for the community. A project plan details which steps need to be taken to develop the community from initial concept to launch. This plan details the activities per overarching theme, which are described below.

### **Objectives and organisation**

Depending on the community concept, objectives can centre around service, sales, marketing or co-creation. These objectives can be expressed in goals such as reducing the number of calls (service) or implementing an X number of changes to products and/or services (co-creation) Goals should always be measurable. The community organization consists of a community manager, moderators and departmental representatives who meet regularly to discuss the community and its development.

### Technology

The technological process includes designing the community interface. In order for the community to contribute to the brand experience, it is important for the community to have its own distinct character. Another major point of consideration is the integration of the community into the existing website in order to attract sufficient visitors. The functionality to be implemented and links to exiting systems are also part of the technology process.

### **Community management**

Community management includes creating strategic content, activation and communication plans, and setting up reward management (the use of game designtechniques, styles and mechanics in non-gaming contexts and activities to engage users, solve problems and drive desired behaviors).

### Moderation

Finally, moderation includes setting up the operational processes and training moderators to actively moderate and take part in the community.

Once all components have been implemented and thoroughly tested, the community is ready to be launched.

#### **Examples of activities**

- Emailing customers or customer panels, inviting them to participate
- Announcing the launch of the community in a newsletter with an invitation
- Inviting members to participate in the user acceptance test
- Involving ambassadors in the implementation by asking them to participate in workshops

The inSided implementation phase leading up to the launch of the community may take between six weeks and three months to complete.



## Construction

Immediately after the launch, there will only be a limited number of members, who will not generate much content. The community is still not very well-known and its members have not yet formed relationships with one another. As a consequence, visitors are not likely to register or return to the community. At this stage, traffic will mostly be generated through integration with other sites, particularly by means of redirections.

With only a few members and very little activity, the community is not immediately attractive to potential members, decreasing the likelihood of registration or participation. It is like an empty restaurant: not many customers will choose to go in and order something. This is the time to actively start generating content. This may include topics about news items, but can also be video content posted by the community or the community manager. Welcome the members and highlight the objectives of the community. If topics generate responses, be sure to ask further questions to get the discussion going.

In addition to generating content, the content should also be made visible through existing communication channels, such as corporate website pages or consumer newsletters. Content creates traffic, but generating content will initially have to be done by the organization itself.

There should be an active search for people who may be asked to contribute to the community. This may include employees from the organization itself, but should especially target experts in the community's field of interest and individuals interested in its topics. They can be directed to specific topics through, for example, email messages.

In addition to this, the first members can be welcomed personally, e.g. through a private message in which the community manager introduces himself and the community. The first members can also be asked for input in the community: perhaps there's something they would like to find there, or they might like to actively contribute content themselves.

#### **Examples of activities**

- Starting discussions on news and current events
- Placing video content on what is going on in the community
- Inviting people to contribute and welcoming new members using private messages
- Asking for input on the community itself
- Increasing content visibility through integration with the current website or other channels
- Optimizing content for search engines (SEO)

This community-building stage generally takes a maximum of nine months from the launch of the community.

Search results generally constitute a major part of community traffic. The percentage of visitors entering the community through search engines starts out low, but typically increases to over 50% within a year. In order to generate more traffic, the community content can be optimized for search engines (SEO), which is already achieved in a natural way by user generated content. Also, moderators can adjust titles and add tags to optimize content.



# Establishment

The establishment stage is characterized by the community becoming more well known. The need for the organization to contribute content decreases. Members recognize each other and start to form relationships, which is reflected in the way they actively react to each other's topics and responses. In this phase, traffic is mainly generated by search engines.

The focus of the activities shifts to the proper processing of user-generated content, e.g. its structure; topics can be moved, merged or renamed. This increases the visibility of topics and coherence within the community.

The organization may also keep contributing content in order to make the community even more interesting to its existing members. The contributed content will, however, be of a more in-depth nature, i.e. sneak previews of new products and the opportunity to test them.

The community managers should start selecting active members and get them involved in community building, for example by inviting them to come and visit in person at joint events. Online events, such as Q&A sessions or webinars, can also be organized at this stage. Moreover, active members may be asked to take on moderating tasks, initiate topics and organize additional community activities.

The community is now ready to be integrated more broadly, for instance by placing relevant topics on product pages or current topics on the customer support page. The community can also be used on campaign pages when introducing a new product.

#### **Examples of activities**

- Scheduling expert Q&A sessions
- Conducting interviews with community members
- Sharing insights about the community itself
- Creating think tanks on topical themes
- Broaden integration e.g. to product pages
- Activating super users by inviting them to actively participate and give feedback
- Organize an offline event where members can meet in 'real life.

Communities generally enter this stage in the 6th to 18th month after their launch.



### Maturity

The characteristic feature of this stage is that the community has developed an identity or shared culture. This is the stage when activity becomes stable and members facilitate most of the activities. Without external impetus and additional activities, the community is not likely to expand any further. At this stage, a large amount of data about the community has become available.

Potential activities to be undertaken at this stage concern user activation, internal support, analyses and communication.

Users can be activated by presenting them with selected content that is relevant to their profile. They can also be actively involved in the further development of the community by contributing ideas. As with the previous stages, this phase is suitable for sharing community news and insights with members.

Data may be gathered to construct cases demonstrating the community's success and ROI to internal and external stakeholders. This will not only create new traffic but will also increase internal support, which is crucial to the community's continued existence and development. Engaging multiple departments and company management will create a favorable environment for any additional investments required to continue to professionalize the community.

PR and communications may also generate more traffic, for example by sharing business cases with research institutes or media, being interviewed by industry publications, short-listing for awards (social, customer contact, marketing, etc.), or giving presentations at trade fairs and conferences.

#### **Examples of activities**

- Developing a personalized community page
- Assigning 'VIP' privileges to super users
- Setting up a separate community for test panels/co-creation
- Highlighting ROI business cases, e.g. on call reduction
- Sharing interesting cases within the organization (successes, challenges, etc.)

Communities tend to reach the maturity stage in two to three years after launch.



# Segmentation

The final stage is segmentation. There is a chance that activity decreases during this stage, for example because the community lacks coherence. Members may no longer feel that their contributions adds much value. This may decrease their sense of community and added value.

Segmentation may take place based on friendships that have been created or shared interests, maintaining the community's relevance to its members. Segmentation is essential for keeping the community intimate and reducing potential information overload.

Sub communities centring around specific topics may be set up within the larger community. A telecom operator, for instance, may consider creating an Android sub community. Members owning an Android device will only see (on their own request) topics related to this operating system. A utility company may centre sub-communities around specific products or services. If the topic of solar panels comes up regularly, one could consider creating a community for this. A bank might set up an investment community.

By this stage, some experts will likely have become active in the community as well. They are important because of their specific expertise that they can use to provide information and answer questions by (new) members. However, some experts may find this rather limiting and will appreciate separate expert groups within the community. In this way, they will remain interested in participating.

#### **Community activities**

inSided divides all community-related activities into three categories: content, traffic and activation. It is important that the activities are executed in this order. Content generates traffic because it provides input for (potential) members. Traffic can be activated and will eventually lead to more content. The focus will initially be on content and traffic, and will gradually shift towards activation.





### Conclusion

The time span between development and implementation up to segmentation is about 2.5 years or longer. The actual period will vary for individual communities. How quickly a community develops depends on various factors. The internal support from within the organization is particularly crucial to community development, as are the available time and resources that can be invested in the project.

An additional factor is how well the topics on the community fit the interests of the target group or potential members. We recommend performing target group analysis first and adapting the contents and activities to the results. Not every type of industry will automatically motivate people to talk about your products and services, but the content can usually be written in a way that will attract a large target audience. Organizations may also choose to start a community that extends beyond its own products and services. These success factors, as well as the activities that are undertaken to promote the community, determine its growth. The more you invest in the community and manage to fulfil its needs, the greater the chance that the community will develop at a normal pace. It is essential to have available the required expertise in the area of community management.

If the community is not developing as it should, in spite of the presence of the above success factors and activities, the community concept established during the implementation phase may need adjustment. This will entail a restart of the community life cycle and applying the same techniques in accordance with the community life stage.



# **Customer communities**

In today's business climate where competition continues to increase, margins are shrinking, and core services become commodities, companies are forced to become truly customer-centric.

inSided communities are a powerful engine for the creation, capture, discovery and cultivation of conversations. These conversations provide a new way for people to truly engage with one another about what's important to them and share their opinions and experiences with brands and each other. At the same time, communities create new opportunities for companies to connect with their consumers, develop trust-based relationships, and gain unique customer insights to fuel more effective marketing, sales, and service experiences. Unlike social media like Facebook or Twitter, online communities are customer networks you own. You can harvest the user-generated content it produces, analyze it, and use it to inform business decisions. Community content and user data can be seamlessly integrated into existing websites, customer portals, mobile apps, and enterprise systems - fully customized according to your branding guidelines. And you can continue to deliver the right social customer experiences for your brand no matter how the social media environment changes.





### inSided Community Platform

The cloud-based inSided platform delivers an enterprise-grade solution to build, integrate and manage branded customer communities across digital touch points and devices.

On community pages, customers engage with each other and your company, get an overview of all relevant information and can browse new or popular topics related to your brand and products. Content can futhermore be embedded on your website, on your support pages and in your product using plug and play widgets that provide your customers with relevant information when and where they need it.



#### Technology is just one click away. Success is not.

Success is much more than just the right technology. As your dedicated partner, it is a mindset for us. Success is about a great kick off, continuous growth, focus on ROI and creating a world class team with thorough experience. Use our proven approach to ensure you get all essential knowledge and support, in every step of the way.



We help you to start and show success within 6 to 12 weeks

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We help you to grow your We l platform and continue to yet deliver value

We help you set ambitious yet achievable goals and show ROI

We help you to build and train your team, and learn from peers

#### Drive real, measurable impact

The inSided platform will help you improve user engagement and increase product adoption. It enables an efficient CSM and support organization while keeping service levels high, and improves retention. Our customers typically see 15-25% reduction of support costs, 10-15% higher NPS scores & customer advocacy, and 8% reduction in churn.

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