

Customer Insider

A practitioners guide to
online insight communities.

c_space



Customer inspired growth

CUSTOMER INSIDE

A practitioners guide to
online insight communities.

June 2018

“
Customer
centricity must
be built into
the fabric of the
organisation.

LEN SCHLESINGER,
Harvard Business School

About this guide

Three pieces of original
research informed this report:

1

EXPERT INTERVIEWS

Twenty interviews with insight, marketing and innovation professionals from a broad range of sectors including, FMCG, Financial Services, Telecoms, Technology, Healthcare, Entertainment and Media.

2

CO-CREATION

A co-creative workshop with a further 15 practitioners, members of the Market Research Society (MRS), a journalist from 'Marketing Week', as well as strategists, designers and technologists from C Space.

3

SURVEY

An online survey of 100 professionals, distributed and promoted by MRS.



ABOUT THE MARKET RESEARCH SOCIETY (MRS)

The MRS is the world's leading research association for those who need, use, generate or interpret evidence essential to making good decisions for commercial and public policy.

The quality, suitability and sustainability of the evidence is also essential to decision makers.

MRS is dedicated to the support, promotion and enrichment of the research and business worlds.

With members in more than 60 countries, MRS is the world's largest research association. It serves those with professional equity in provision or use of market, social and opinion research, and in business intelligence, market analysis, customer insight and consultancy.

Foreword

Jane Frost, Chief Executive Officer, MRS



As the world's leading research association, MRS is committed to promoting excellence across all research methodologies that help clients deliver value back to their organizations and businesses. We like to support work that extends thinking or has practical applications; our think tank, the MRS Delphi Group, is set up to this end.

Online communities provide brands with a channel direct to customers and stakeholders. And building relationships (in the context of this report) over the long-term requires a special skillset from researchers.

Our members adhere to the MRS Code of Conduct, which ensures that interactions – both with customers and stakeholders, and clients – are ethical and legal. These standards are a critical step in winning the trust of participants, especially when dealing with their personal data.

I am happy to support a report that provides practical guidance for researchers, businesses and organizations who wish – through the application of insight – to become truly customer centric.

Foreword

Bill Alberti, Chief Client Officer, C Space

Welcome to Customer Inside, a practitioners guide to online insight communities - from the people who invented them.

Twenty years ago, when we were pioneering online communities the landscape was unrecognisable from today. Back then insight was simply a way for a business to validate its own ideas and hypotheses.

Today it's hard to find a C-suite perspective that doesn't point to the need for customer centricity; to hardwire the customer into the heart of business decision making. The most progressive and innovative business leaders seem to agree that the future of brands exists in co-creating incredible experiences - involving customers as equals and partners rather than just observing them as subjects or targets.

Yet despite this consensus on the customer, many businesses are still struggling to stay relevant. It's becoming more difficult to combine an intelligent use of data with an in-depth emotional understanding of customers and translate that into timely action, at scale.

The businesses that are getting this right are hardwiring customers in. They are tapping into customers' creativity and resourcefulness, working



in collaboration to shape their thinking. Working in this way, they're able to adapt faster, connect deeper and perform better - they are more inspired; more empathetic; and more relevant to the people they serve.

This kind of customer empathy is enabled by a whole suite of dynamic tools, methodologies, data and analytics techniques that are used in different moments.

As the role of the customer in business has evolved so have the tools to stay close. Since launching our first online insight community 20 years ago C Space has developed more and more ways to work - but online communities remain at the core of what we do for our clients, day in, day out.

We're proud to have partnered with the MRS, the world's leading research association - and over 130 industry professionals working across insight, marketing and innovation functions in a broad range of categories and sectors, to produce this report.

We believe companies should see online communities not just as a tool or a new way of doing existing types of research - but as an opportunity to change the ways they engage; to create something more authentic, more useful and more impactful. An opportunity to bring the customer, and customer insight, inside a business in an unprecedented way.

Hi!

Welcome to Customer Inside, a practitioners guide to online insight communities.

Online research has experienced explosive growth in the last decade and online insight communities have gone from unproven experiment to accepted mainstay. According to the 2017 GRIT report¹, 60% of the world's biggest brands utilize some form of community. Market penetration should hit 82% by the end of 2018.

This unprecedented growth has created an explosion of new terminology, technology and training too. Alongside newfound confidence, there is also uncertainty and confusion. Unlike more traditional research approaches, little commonly accepted terminology or best practice exists. Much of the jargon is interchangeable and overlaps.

And that's only half of the story...

In our experience, through our client listening sessions, through the briefs we receive and through the industry research we commission, we understand that the market needs are evolving at speed.

Nowadays, the tool itself is only a part of the solution – and uncovering rapid customer insight is only a part of the challenge. Highly engaging, multi-functional platforms are a hygiene factor. Almost every business is looking to maximize the ROI of their community and hardwire customers into their companies in innovative, engaging and impactful ways, to create meaningful business change.



JONNY WOOLDRIDGE
VP, Head of Activation



CHARLOTTE BURGESS
VP, Business Development Director

According to the 2017 GRIT report:

60% | **22%**

of the world's biggest brands have an online insight community

are considering one in 2018

While some veteran practitioners and progressive users of communities are truly pushing the boundaries, others don't know where to start. One thing is for certain: clients want to get more from their communities and as the role of the customer in business changes, the tools for listening must evolve too.

With all this in mind, we've updated and expanded this report. Building on our research from 2016, we've included additional client examples and primary research, to reflect the changing needs and demands we're experiencing across all sectors and in all markets.

We hope this report offers something for everyone.

It's designed with input and guidance from the MRS and over 130 client-side practitioners. In it, we paint a picture of the current community landscape, share best practices, as well as common pitfalls. We recommend steps you can take to avoid these pitfalls and offer some future areas of opportunity too.

We also share some of the trickier challenges many of our clients have been grappling with and examples of how they are overcoming them, in order to turn challenges into opportunities.

Finally, we offer a perspective on the future developments and innovations that will move

the industry closer towards becoming customer inspired - with companies that generate customer inspired growth.

Although we spend a lot of time in this report talking about the challenges of effectively running online communities, on the whole, it's a positive picture. The idea behind them has never been more relevant. Everyone we meet and talk to seems to agree that the future of brands exists in creating incredible experiences for their customers. The future of insight must involve marrying an increasingly intelligent use of data with an equally in-depth emotional understanding in order to build meaningful change into the ways companies work and grow.

A woman is shown in profile, working on a laptop at a wooden desk. The desk is cluttered with a white teapot, a white teacup, and a glass vase filled with white flowers. The background shows a window with green plants outside. The text is overlaid on the left side of the image.

“
This is about
furthering engagement
with the customer,
with technology being
that intermediary.”

BLAINE HURST
President & CEO, Panera Bread

What's inside?



P 18

COMMUNITY SPIRIT

Cutting through jargon to define online communities, explore why they're used, how they're different to panels and how the two can be used successfully in conjunction.

P 28

INSIGHT IN PRACTICE

The common use cases, key benefits and avoidable challenges of online communities, through the eyes of practitioners.

P 48

PITFALLS

Four ways to ensure insight leads to business change, including: how to resource effectively for the right community solution; how to manage member engagement to generate the deepest insights, how to demonstrate the ROI of your community and how to use the community to engage your stakeholders.



P 80

YOUR AGENCY PARTNER

What to look for in an agency partner, including: practitioners' priorities when choosing the right agency and advice on how to create the right agency-client partnership.

P 88

DOWN THE LINE

3 opportunities for innovation in online communities, including: integration of multiple data sources, generating more in-the-moment insight, and working fast with multiple new audiences.

P 116

SO WHAT?

What the future holds for online communities; how emerging and current technology will affect the landscape, and why turning to customers will create competitive advantage.

A close-up photograph of a person's feet stepping on a dark, textured mat. The person is wearing light-colored pants. The mat is covered with numerous colorful balls in various colors (red, green, blue, yellow, pink, purple, orange) and a blue foam roller. The person's feet are positioned as if they are about to step on one of the balls or the roller. The background is slightly blurred, showing more of the mat and the surrounding area.

“Customers point out our problems. They show us where our opportunities are. And we recognize that if we don’t really get to know them it’s going to be difficult for us to break through.”

JEFF PLATT,
CEO, Sky Zone

Com- munity spirit

Online communities today

WHAT ARE ONLINE COMMUNITIES?

Google 'online community' and you get over 2 billion results. They're part and parcel of the modern internet. The broadest and simplest way to think about them are as digital spaces where people interact over time. Places where people come together for a purpose and create a network, enabled by a technological platform. As such, the term can refer to a vast array of different things.

We know that online communities can spark change, galvanize advocates and drive innovation.

INSIGHT CREATES BUSINESS CHANGE

In this report we concentrate on brands building online communities to better understand their customers and create better products, services and marketing.

Because, just as technology has enabled customers to talk about brands, even when they're not together, it has also enabled businesses to build ongoing relationships with their customers, via insight and marketing departments.

COMMUNITIES ARE CONFUSINGLY DIVERSE

Any term so open to interpretation is likely to lead to confusion. How do you manage expectations of stakeholders when one person is using "community" to refer to a group of 5000 customers giving quantitative feedback on new product features, while another is referring to their open innovation network of 150 customers, students and experts co-designing breakthrough new services? Both are valuable, but very, very different.

TIME TO TIGHTEN TERMINOLOGY?

We believe the industry needs to get stricter with existing terminology, while still innovating around needs that aren't met by current models.

A lot of jargon confusion happens simply because the existing models don't quite match business needs.

LET'S CUT THROUGH THE COMPLEXITY

Even when we focus on business intelligence, insight and market research, the term "online community" has many meanings. Perhaps this is due to how broadly and flexibly the term is used elsewhere in business and society. Whatever the reason, even experienced practitioners clash when it comes to language. If you work in insight, marketing or innovation, your "online community" might vary on any of the following:

ACCESS

Open vs private

POSITIONING

Branded vs unbranded

DURATION

Ongoing vs short-term

BUSINESS MODEL

Self-service vs run by an external agency

SIZE

Small (50-500) vs large (1000+)

AUDIENCE

Customers/ consumers/users vs employees vs external experts

PURPOSE

Qual focused vs quant vs both

PROJECT SCOPING

Interrogating briefs and designing the right approach.

The blurred lines today

A key example of jargon confusion is over what's known by the term "panel" and "community." Businesses need robust quant data to inform decision making, while also relying on qual insight to give the "why" behind the "what." As a result, the line between communities and panels has become increasingly blurred.

Classically, panels were seen as a digital space with large numbers of participants, making them better for quant; whereas communities were seen as smaller, more intimate spaces (300-500 members) and better for qual.

Increasingly though, the language of the industry has become blurred. Pick three different pieces of thought leadership on the subject, three different case studies or three different agencies' websites. Chances are you'll see three different and conflicting definitions.

Our client interviews and our own experience warn of the danger of trying to do both qual and quant in the same place.

If you substantially increase the number of people in a digital space in order to get a seriously robust sample size, there's a trade-off. You don't get the same level of depth and intimacy across the community as a whole. And trying to achieve the benefits of a panel and a community in the same place can be problematic.

You can put this down to a digital version of Dunbar's Number^{2,3} – the idea that we can only comfortably maintain 150 stable relationships before intimacy and connection is lost. Or, more pragmatically, think of panels as a supermarket and communities as a pub. You can find more people in the supermarket, but if you want a more in-depth conversation, you might want



to go to the pub. They're different tools in your toolbox. A more useful definition, therefore, could be to focus on the nature of the interactions with consumers and use cases for each kind of space. Panels are largely useful for feedback, validation and forecasting; the participant experience is often episodic

and blinded. Communities are useful for discovery, exploration, co-creation and feedback; the participant experience is ongoing, empowered, transparent, and relationship-based.

From these definitions it's clear that the need for both continues.



Think of panels as a supermarket and communities as a pub. You can find more people in the supermarket, but if you want a more in-depth conversation, you might want to go to the pub.

You can end up with the worst of both worlds...not quite good enough qual, and not quite good enough quant.

One interviewee noted that their preference was "to have both a permanent separate community and panel, as it allowed greater specialism and higher quality work, but that this was also typically the most expensive option".

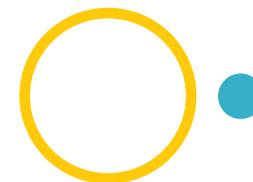
However, other clients have found the "Hive" approach useful. They can have members that number in the thousands, when aggregated, but the members were split off into different communities, often around demographics, to create a more intimate experience.

You'll note throughout this report that we share examples from both

communities and panels. This is because our interviewees talked about both in the same breath, demonstrating how close the concepts are in different clients' minds. And there are some useful, transferable lessons and success principles that can be learned from both.

Regardless of what other models develop in the future, if we don't get a little clearer about what we're talking about when we say online communities, we're in danger of annoying participants, not meeting business needs and damaging the reputation of our industry.

COMMON WAYS TO COMBINE AND ACCESS COMMUNITIES AND PANELS:



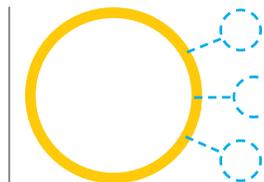
SEPARATE

Completely separate panel and community. Results can be integrated in analysis and reporting but they are separate entities.



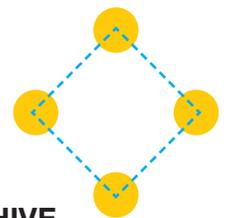
PERMANENT PYRAMID

Permanent panel and permanent community. Interlinked but the members of each are treated differently.



MISSION COMMAND

Master panel-sized group from which smaller and temporary communities are built & recruited.



HIVE

Several separate communities, aimed at different ages, segments or geographies, that allow you to aggregate quantitative data across all.

Insight

in

The practitioner's view

practice

The insight industry is playing a more influential, strategic and diverse role in business growth.

How do people feel about communities?

On the whole, our interviewees were very positive about them. Of the 100 professionals we spoke to, 75 had used communities on several occasions. And almost 90% of that group said that communities had met their expectations. Almost a third said communities exceeded their expectations.

And expectations are high. Many insight professionals are investing significant amounts of time and money in communities and plan to continue to do so. They had real success stories under their belt.

KEEPING THE CUSTOMER "IN SIGHT"

While everyone interviewed was essentially using communities to keep close to the customer, actual application varied dramatically. Interviewees referred to their communities as spaces for:

- 1** CLASSICAL QUALITATIVE INSIGHT
- 2** EXPLORATION OF NEW MARKETS OR AUDIENCES
- 3** EARLY WARNING AND TREND SPOTTING
- 4** AN AID TO FAST DECISION-MAKING
- 5** PLAY AND EXPERIMENTATION
- 6** LABS FOR PRODUCT AND SERVICE DEVELOPMENT
- 7** ADVICE FROM THE CUSTOMER
- 8** AN ONGOING WINDOW INTO CUSTOMERS' LIVES



The surprise

Always-On Customer Insight: A "Trojan Horse for the insight department"

The unexpected benefit for some practitioners was that they could use their online community to help achieve their departmental objectives. Many insight professionals grapple with the challenge of elevating the influence and impact of insight within their organisation. Most are familiar with the notion of evolving the role of the insight department from reactive supply function to a source of strategic, consultative value creation.

While a community can be seen purely as another way of doing research, some practitioners were taking advantage of the ongoing, people-focused nature of a community to achieve this aim. Consistent and timely access to real customers can create a movement that grows over time.

Seen as a permanent hub for engaging customers, a community can become a platform for spreading the message of the insight department, and the voice of the customer. This is harder for a series of unconnected ad hoc projects to accomplish.



Where we see our online community unexpectedly add value is as a Trojan Horse to market insight in the organization. This has helped us move ourselves from reactive unit to a source of strategic value.

**INSIGHT MANAGER,
Hospitality**



While our stakeholders are pretty engaged with research and insight, most people are here because they love cars. That's why they work here. But everyone is interested in people – whether it's what their neighbors are up to, what's on their Facebook newsfeed or the draw of reality TV.

**CONSUMER INSIGHT
MANAGER,
Automotive**



An audience, and the community as a way to drip feed real people and their thoughts, stories and provocations to that audience.

**CONSUMER
INSIGHT MANAGER,
Automotive**

Understanding the benefits

The need for online communities was widely accepted among interviewees. They were keen to call out the key ways in which their community had added value.

1

COST-EFFECTIVE GLOBAL COLLABORATION

“Our online community has helped to champion global collaboration across markets and business divisions, and provided cost savings over offline qualitative methods”.

SENIOR INSIGHT MANAGER, Pharmaceutical

2

AGILE 24/7 ACCESS TO CUSTOMERS

“Expectations can and will change; our community is essential to maintaining direct dialogue with our guests and customers to help our growth”.

GUEST EXPERIENCE INTELLIGENCE, Travel

“The primary benefit of using an online community is having ongoing access to an agency who can get in touch with our consumer base 24/7”.

SENIOR CONSUMER PLANNING MANAGER, Consumer Packaged Goods

3

SPEED

“Speed for us has been a particular benefit. We’ve estimated that our community has enabled us to go up to 80% quicker, which in a tremendously fast moving business like ours is critical”.

INSIGHT MANAGER, Technology

4

DEEP, QUALITATIVE INSIGHT

“Our community allows us to have a two-way dialogue with consumers and get a deeper understanding that takes time to develop. We’ve changed how we ask ‘rational’ quantitative questions to allow for this reflection”.

SENIOR STRATEGIC INSIGHT MANAGER, Financial Services

5

CUSTOMER CENTRIC PRODUCTS AND SERVICES

“We’ve made a shift from obsessing about what our competitors are doing to deeply understanding our customer. In a world that changes so rapidly, staying centred on our customers needs, wants and unarticulated desires guides us as we innovate. We’re bringing new technologies, design, and service experiences that delight our guests and differentiate our brands”.

VP OF INSIGHT, STRATEGY AND INNOVATION, Travel



One of the most powerful things we do is show people working on our vehicles who our customers are and how they live their lives.

JOANNE PEARSON,
Director of Global Customer Insights,
Jaguar Land Rover



The (un) expected challenges

For those who are entering the online community marketplace for the first time, there's a whole range of different complex challenges to navigate. Many of our experienced interviewees shared the challenges they had planned for at briefing stage - and some of the things that surprised them first time around too...

YOU UNDER-RESOURCE THE COMMUNITY INTERNALLY



YOU DON'T "SELL OR MARKET" THE COMMUNITY EFFECTIVELY TO THE BUSINESS



YOU TRY TO RUN THE COMMUNITY YOURSELF INTERNALLY



YOU DON'T PLAN PROJECTS IN ADVANCE



YOU PROMOTE THEM PURELY ON THEIR ABILITY TO REDUCE RESEARCH COSTS



YOU TRY TO ACHIEVE SOMETHING IN-BETWEEN A PANEL AND A COMMUNITY



n = 75



If...

then...

You under-resource the community internally



... it's a struggle to get the most out of the community and the agency you are working with. This takes dedicated time and can benefit from a broad experience of insight work.

You don't "sell or market" the community effectively to the business



...projects start to dry up and stakeholders are not engaged.

You try to run the community yourself internally



... although this may initially seem cost-effective, it can result in being a huge drain on your time and effectiveness.

You don't plan projects in advance



... the community can end up becoming a reactive tool, where you pose the kinds of questions that might be better suited to a traditional panel

You promote the community purely on their ability to reduce research costs, rather than their ability to add business value and insight



... you may reduce internal confidence in the value of the work, limiting impact.

You try to achieve something in-between a panel and a community



... you risk ending up with the worst of both worlds. Not very insightful qual. not very robust quant.

A photograph of a JetBlue airplane flying low over a beach. The plane is white with blue accents and the 'jetBlue' logo. In the foreground, several people are standing on the sand, looking up at the plane. One man in a white t-shirt and patterned shorts is taking a photo with his phone. The background shows a beach with other people, buildings, and a road with a van.

“
If you’re not focused
on making the
customer experience
better, I don’t
know what
you’re doing.
That should be
the sole focus of
every innovation.”

JAMIE PERRY,
Former VP of Marketing,
JetBlue Airways



Case study: Ella's Kitchen

Making customers the key ingredient at Ella's Kitchen



Ella's Kitchen is a great example of a brand that has used an online community to move from a start-up to a multi-national business.

Organic baby and toddler food company, Ella's Kitchen, is growing fast. Since founder Paul Lindley launched the brand in 2006, Ella's has become the UK's number one baby food, and operations have expanded globally into more than 40 countries. But all that growth presents new challenges. Ella's needed to rethink the way it engaged with global customers and retailers while building on the brand's founding philosophy of "kids first".

Ella's Kitchen and C Space engaged with parents and their

little ones in an online community of 300 people called 'Parent Pulse'. These highly engaged moms and dads were always ready and willing to let us into their lives, have a chat or help out with a business challenge. This insight into customers' lives and ideas has helped transform the fast-growing brand.

The 300 moms and dads have made more than 61,000 contributions in the community on 18 different projects. Across business departments – including Ella's Executive Board

– employees regularly consult with the members of Parent Pulse to test assumptions, get feedback and ideas and make better business decisions.

Conversations revealed a gap in the toddler snack food market. "Project Little Fingers" helped Ella's Kitchen understand parents' changing needs around healthy snacks. Their insights led to a new product called Melty Sticks, a healthy breadstick alternative. Today, Melty Sticks are one of Ella's best-selling SKUs. And it was the community that informed every stage of product development – from first identifying the opportunity, to consulting on flavors, packaging, product positioning and even listing support.

The Parent Pulse community is the heart of the business. It's an always-on, real-time, keep-it-real place for insight, ideas and inspiration. Best of all, parents build relationships with each other; starting their own conversation threads on everything from feeding schedules to on-the-go eating tips is common. And because of the community's strong connection to Ella's Kitchen, members revealed that they feel a sense of responsibility to the business. It is their duty to give tough and honest feedback, to help develop the best products possible.



Working with C Space has given us to tools we need grow our business and continue put our customers at the heart of everything we do. We've been on such an incredible journey together, we are always trying new things and pushing ourselves to be a better, more customer centric brand; we look forward to continuing to grow as partners in the future.

MARK CUDDIGAN,
Head of Ella's

300

community members

61k

contributions in the community



Ella's work with C Space was awarded an MRS Award for Business Impact in 2017.

Pitfalls

Veteran practitioners share watchouts - the challenges you might not predict at briefing stage but can solve with proper planning and which will give you the critical edge.

I

THE CHALLENGE:

**UNDERESTIMATING
THE SIZE OF THE BEAST**

This was the most frequently and strongly cited cause of frustration for clients. 76% of participants felt communities "became ineffective when they were under-resourced internally."



However much the management of the community is outsourced, it will still require time and resource to ensure that it is run and maintained properly and effectively.

THE SOLVE:

Avoid scrimping on the resource and time needed to get things off the ground.

One thing to consider is how the responsibilities involved in a community are split between client and agency. Many brands can see definite benefits in running their communities themselves, especially as they often come at a lower cost. However, without prior experience, it can be difficult to estimate how much time is involved in making a community successful.

An interviewee from a telecommunications company originally opted for a lower cost,

self-serve solution for their community, but found that their team spent all of their time scripting surveys rather than speaking to stakeholders, building recommendations or driving action in the business. The cost savings on paper ended up "feeling like a false economy."

The murky terminology around communities doesn't help either. It's difficult to effectively gauge the size of the endeavour when "a community" could mean so many different things.

WHEN PICKING THE RIGHT COMMUNITY SOLUTION, CONSIDER THE INVESTMENT REQUIRED IN EACH OF THE FOLLOWING TASKS (YOUR AGENCY SHOULD TAKE CARE OF MANY OF THEM):

TECHNOLOGY

Designing, sourcing and hosting the technology platform the community runs on.

SET-UP

The logistics of building the bespoke layout, design and user experience of the community.

PROJECT SCOPING

Interrogating briefs and designing the right approach.

PROJECT ACTIVITIES

The design, moderation and analysis of research or innovation activities in the community.

STAKEHOLDER ENGAGEMENT

Both the "internal marketing" of the community and liaising with business stakeholders around new briefs or projects.

PLANNING PROJECTS PIPELINE

Deciding which business objectives the community is best able to support, and planning a future pipeline of projects.

REPORTING

Not just crafting a deliverable, but planning how to make it land with the required audiences in the business, to create action.

MANAGING ONGOING COMMUNITY HEALTH

Monitoring community participation and engagement (both in terms of quality and quantity).

ROI TRACKING

Monitoring the business impact of the community. This is often overlooked but it's worth planning well in advance.

INITIAL RECRUITMENT

Planning the appropriate communications and incentive structure to attract the desired audience, logistics of recruitment and screening.

MEMBER ENGAGEMENT

Daily moderation of member discussions, building relationships with members and answering questions.

2

THE CHALLENGE:

NEGLECTING THE ART OF ENGAGEMENT

"You have to be careful with the community because you have to manage member engagement. You have a duty of care; otherwise, as a resource it becomes over-used and its value can, ultimately, decline. You have to keep it healthy."

EUROPEAN CONSUMER AND MARKET INSIGHT DIRECTOR
Technology

THE SOLVE:

Understand what makes your audience tick...

For communities to offer value, you need to recruit the right people – and those people (just like the most talented employees) aren't always the easiest to keep.

"Brand fans" might be easy to recruit, but chances are it's your other customers (or competitors' customers) that you need, to give your business greater insight.

Sustaining a relevant and useful community population is definitely achievable but it takes effort. If you don't design a solid strategy to retain your members, your community will gradually lose its power.

One beauty brand manager we interviewed shared a fairly extreme example of the consequences of getting this wrong:

"We had a community for years but over time, we were just not talking to our core group anymore. Our brand is young and female. Our community members were

increasingly not. Our core just didn't stay; the conversations were no longer what they wanted. In the end we stopped using a community. The community lost its relevance when they lost our audience".

Other practitioners had more success, but were clear about some principles they used to avoid this pitfall.

The Head of Segmentation Research and Insights at a telecommunications business employed exclusivity and a sense of challenge to invoke continued engagement from members.

The community is involved in a host of product and communications development challenges and the members are treated like an extension of their business.



Treating customers like an extension of your business isn't appropriate for every challenge. If your main priority is looking at brand perception, this type of relationship could skew the results.

In Professor Nicholas Ind's research into online communities and co-creation for Oslo School of Management and ESADE Business School, a 2-way relationship was a key attribute of an engaged community.

His research for the book 'Brand Together'⁴ suggested that while financial incentives are a useful motivation to get people to join communities, they are far less useful in sustaining long-term engagement.

Creating a feedback loop to share the impact of the community's work was up to 6 times as powerful in sustaining engagement (and preventing member attrition) than financial incentive alone.

Extrinsic rewards like incentives do play a role, but often simply as rationalization for the time investment, rather than as a core driver.

As suggested by Frederick Herzberg, "the difference is that you can only create satisfaction through intrinsic factors, but you can create dissatisfaction by failing to pay sufficient attention to extrinsics." In other words, you can't neglect rewards, but also don't expect them to be enough to keep people truly satisfied.

THREE TOP TIPS

1

Understand why your members would want to take part in the online community; both the functional and emotional drivers. Design the right value exchange for your members.

2

Don't over-work the community. It creates diminishing returns.

3

Provide regular, transparent feedback on how the input of the community is being used, whatever your audience.

DON'T NEGLECT THE "DUTY OF CARE" TO YOUR COMMUNITY.

To avoid participatory drop-off, the European Consumer and Market Insight Director for a global technology company suggests a "duty of care with engagement."

He has successfully demonstrated to the wider business that his set of customer communities, is "a valuable tool for listening and understanding what consumers are thinking in a rapid way". However, he now "lacks enough capacity as everyone in the business wants to use it." As a result, he is wary of running too many projects and activities due to the danger of burning the community out and driving members away.

Ultimately, keeping your community healthy and useful comes down to thinking through what kind of experience will motivate members to participate. There are entire papers devoted to this subject.



3

THE CHALLENGE:

MEASURING IMPACT

Proving the ROI of the community is a common, but tricky challenge. Thankfully, many of our interviewees had lessons to share.

DO
MORE.



THE SOLVE:

Build impact habits

Approach the setup of your community in the right way and proving the ROI becomes easier.

DEFINE THE COMMUNITY'S STRATEGIC PURPOSE

Simple, but a good place to start. You can't measure your online community's success unless you define its purpose. What is the strategic reason for its existence? The more you can align the community's activity with a specific, valued organizational mandate, the better.

This could be increasing NPS via improving customer experience; informing expansion into a new market; or plugging insight into product development to drive increased market share. This might be too simplistic, if your community needs to support several types of business impact. But, try to avoid generic purposes like "enhanced customer centricity," unless you have some measures beneath to give substance.

A clear purpose *"gives you permission to say 'no' to the wrong kinds of briefs. Prioritise the briefs that will have the most impact."*
Senior Strategic Insight
Manager, Financial Services

PLAN IMPACT-TRACKING FROM THE START

Imagine you're setting up an online community for the first time in your business. It's an exciting route to your customer that your brand hasn't had before. Department stakeholders are clamouring at your door. In this rosy picture you might not be under immediate pressure to qualify or quantify the impact and ROI of the community. Eventually, you will be.

Any ongoing business commitment will be questioned at some point. The overwhelming advice from interviewees was to start planning how you will track impact right from kickoff. It's easier to track impact stories and stats as you go along, as part of an organized plan, than to leave it to the end of the year. Believe us. We've been there.

The more you can align the community's activity with a specific, valued organisational mandate, the better.



We designed three questions around a simple view of what role ‘insight’ should play: better understanding of the customer, better decision making, delivered in a cost-effective fashion.

HEAD OF RESEARCH AND INSIGHT, Travel

SIMPLIFY COMPLEXITY FOR BETTER FEEDBACK

We all know that customers have a limited time span when it comes to surveys. Agencies and insight departments have thrived on their ability to simplify complexity and make questionnaires engaging. Do the same when you’re looking for regular stakeholder feedback.

One interviewee has a very simple way of measuring the effectiveness of every piece of insight work. At the end of every project, stakeholders who have commissioned or requested the work must answer three questions:

1. Do you feel you better understand our audience as a result of this research?
2. Did this research help you make a business decision?
3. If you invested your own budget in this research, do you feel you got value for money?

That’s it. Over time, it helps them quantify perceived stakeholder impact.

Going a step further – why not create an equivalent of NPS for your insight department? One of our clients has already built this into the feedback system for his communities. Across the 6 global markets covered by his communities he is able to see which stakeholders are most likely to recommend the community to their peers. If they’re not as happy as other markets, he can find out why and fix it. Plus it makes pretty useful ammunition for tricky budget or procurement conversations.



FIVE TOP TIPS

1

Define the community’s strategic purpose

2

Plan impact-tracking from the start

3

Resist the temptation to promote the community on cost-saving alone

4

Build impact-tracking into your business’ system

5

Make it easy for stakeholders to feed back



If you don't have an always on insight platform, you can't release your team to do consultative work

FORMER VICE PRESIDENT OF GROWTH ANALYTICS, MARKET INSIGHTS AND CUSTOMER EXPERIENCE, Technology

RESIST THE TEMPTATION TO PROMOTE THE COMMUNITY ON COST-SAVING ALONE

Your insight and marketing departments are under pressure. Budgets are being squeezed. Anyone who demonstrates cost-effectiveness is a hero. That may sound familiar, but resist the temptation to position the community purely as a cost-saving tool.

It's true that many of our interviewees had calculated impressive aggregated cost-savings via online communities compared to traditional qualitative research approaches.

However, if you see the community as "cheap insight" you run the risk of de-valuing it in your business.

No-one wants to use bargain basement insight to inform their biggest strategic challenges. If you want the community to be able to help your insight department play a strategic role, not just a reactive "cheap alternative" role, don't promote it purely on cost.

Cost savings can be an important benefit. But it won't always lead to business change. A more nuanced message is to quantify *"both the positive value and impact it has helped you create, not just the money it has saved you"*, Head of Segmentation Research & Insights, Technology brand.



What existing systems does your business have and how could you build a measure of the influence of insight into them?

TURN INSIGHTS INTO AN INTERNAL AGENCY

When customer insights operate apart from the rest of the business, it creates a disconnect. Customers have less influence on decisions made in other departments and as a result insights become less valuable.

A former VP at a global technology company, found a unique solution: turn insights into a consulting agency.

He combined customer experience, research, insights and data analytics into one integrated service. It's designed to make insights

and data about IT buyers more accessible to every "client" – that is, departments like sales, R&D, and marketing. And, it moves at the fast pace internal audiences require.

Team members serve as consultants; they're trained to look at data, synthesise it and find the insights that matter. "You can't just have data," he says. "You have to have the data and the consultative [ability to] connect the dots to tell the story."

Since consultants can't be everywhere all the time, the

team built a self-service platform that employees can access for insights, content and research. There's also an Account Health Index that gives a quick snapshot of each account's performance and flags issues that demand immediate attention.

Building an internal agency isn't without its challenges, however. One of the biggest, he says, is conditioning your company and your clients to think of you differently. "You're not a go-fetch, desk-side research firm," he asserts. "You are an agency."

Five ways to measure ROI

To determine which measures are applicable to your business, here are five different ways to think about the potential impact of your community, and how to measure it:

1

STAKEHOLDER IMPACT

Use a combination of qualitative feedback and quantitative metrics after each project to measure impact on stakeholders.

- Do you better understand customers than you did before this project?
- Did this project help you make a more informed business decision?
- Would you recommend the community to other business stakeholders with a similar insight need?
- Did you feel you got value for money?

These can be aggregated and tracked over time, allowing you to measure perceived value across audiences and projects.

2

VALUE CREATION

Estimate the extent to which the community has affected revenue-producing activities. This can be highly valuable in driving sales meetings or for product or service launch.

- Estimate revenue created by new products, etc., that community has affected.
- Ask stakeholders to quantify significance of impact of community work on business initiative.
- Build use of insight into tracking systems, like Salesforce.

This is not an exact science, as clearly other factors influence success or failure, but it is still a useful measure.

3

COST EFFICIENCY

Estimate the aggregated cost saving your community has made through efficiencies of scale over the year.

- Estimated saving vs traditional methodologies.
- The speed that projects can be turned around in the community also represents a cost saving, as the business is able to make decisions/act faster upon the insight.

Some C Space clients have estimated annual research cost efficiencies of approximately 40% vs traditional methods.

4

LOSS PREVENTION

Estimate the savings created by projects that prevented a failed launch. For example, a piece of communications with irrelevant messaging that was averted.

As one respondent noted: "We would have invested £X in this product that we learned would not have been successful in market due to insight."

"The planned comms which received highly negative feedback during research would have reached X million customers. We estimate that unchanged this could have caused a 0.5% reduction in NPS."

5

HERO STORIES

Decisions aren't made on reason alone; we're emotional creatures.

Plan some exciting, high impact stories on topics that you know matter to the wider business or to the audiences whose support you will need in retaining the budget for the community.

These could be communicated at annual shareholder meetings, internal or external awards. You essentially want stories to reach the C-suite.

Quantified measures are important in justifying the value of the community, but you also need stories to convey its worth. And impressive stories help capture hearts and minds.

4

HUMAN.

THE CHALLENGE:

**DON'T FORGET YOUR
COMMUNITY IS A BRAND**

When you think about "community engagement" it's often to focus purely on member engagement – how active the various members of the communities are. However, it is just as important to invest time into building business engagement with the community as well.

Getting stakeholder engagement right creates a virtuous circle.

THE SOLVE:

Think of your community as a new brand you have to market.

One interviewee described the benefit as a *'virtuous circle'*.

"The more energy we invest in engaging and sustaining our community members, the better our projects tend to be. The more we hero the community and successful projects that have added value to the business, the more of the right kind of briefs we get. Those often happen to be briefs that community members find interesting to work on as well, making them happier. And because we make sure we capture feedback and impact on the projects, we can feed that back to members. That gives them satisfaction that the time they're investing is worthwhile. And we can show the video testimonials for successful projects to other business stakeholders to explain the community ... and so on!"

This takes time, but it pays off.



You can't just have data. You have to have the data and the ability to connect the dots to tell a story.

**CEO,
Entertainment**

HAVE A CAMPAIGN MINDSET

You can learn a lot about how to market your insights from political campaigns.

One of our founders ran a project with 10 Downing Street in the early 2000s and was impressed by the specificity with which they planned their influencer strategy.

They listed all the individual politicians and policy makers they were looking to reach, their priorities, and the best way to reach them. In effect, they designed a channel strategy for people.

Our colleague started helping insight clients do the same within their organizations. Insight work is only effective if it results in behavior change.

And to do that, you have to plan how it will be spread. Returning to the "Trojan horse" idea from earlier, an ongoing community can be a formidable tool and platform to help spread insight within the organization.

By creating a consistent brand, then planning your insight outreach like campaigns, you can have a more significant impact within your business. It is not good enough to rely on purely the quality of the work. Good work that reaches the wrong people, in the wrong format for them, is not going to change their behavior.

If you're looking to elevate insight within the business, you can use this map to design

projects that are useful to the business, but also to win over specific stakeholders. Design projects and workstreams into the community that tackle issues relevant to their needs. Use naturally occurring member conversations as fuel to start conversations around topics relevant to them. And finally, be picky about the messages you want associated with the community.

One piece of advice we heard from multiple interviewees was "just because you can do a project, doesn't mean you should." If you don't think a project fits with the strategic purpose you are trying to build around the community, don't do it.



CONSIDER YOUR AUDIENCE(S) AND THEN MAP OUT...

Who is connected?

What are their business objectives?

What are their working styles and how they consume content?

How they or their department is professionally measured (e.g., are they aligned to NPS, or perhaps getting innovation concepts to BASES testing)?

What are their personal objectives and ambitions?

What are their existing preconceptions about your department?

THE SOLVE:

Design a brand identity

Create a compelling name, visual identity and tag line linked to the strategic purpose of the community.



The brand you created for SHAPE was critical to its success. I struggle to engage my teams and they're under a lot of pressure but they were fighting to be a part of this project!

CEO, Professional services

As marketers, we all know that having a great product is only part of the battle. Effective branding and messaging helps you spread the story of the community. It can also seriously help with member engagement.

Omnicom's DAS (Diversified Agency Services) is a strong example of that. DAS is a group of Omnicom agencies that specialize in disciplines like insight, branding, PR, healthcare, CRM and events. C Space wanted to experiment with whether you can create new value for clients by bringing together the smartest

minds from across the different agencies. But getting meaningful collaboration is challenging. We wanted to break down cross-agency barriers, tap into diverse minds and encourage breakthrough thinking for clients. The question was: how do we ignite passion in busy, cynical millennials and get them excited to solve challenges (and quickly!) outside of their day-to-day client work?

SHAPE was the answer: a crowdsourcing and collaboration community that tackles client challenges by

getting agency employees to work together online. The community brand that breaks through millennial cynicism.

SHAPE threw out much of the staid language and imagery that can often accompany research and created a distinct voice and identity that speaks to young agency professionals. SHAPE exudes vibrancy and cool, with a fresh look to match. Emails and messages use a playful tone. There's a SHAPE website,

SHAPE-branded swag (like coffee mugs and notebooks), and SHAPE-branded thought-starter cards for clients delivered at the end of every project. The community also has its own tagline: Connected Brilliance. And there's something else that ups SHAPE's cool factor: bucking the norm for research, no small incentives are allowed! Instead, one big-ticket item is up for grabs at the end of every challenge – like a 56" 4K Ultra HD TV or an all-expenses-paid luxury getaway.

THREE TOP TIPS

1

Design a brand identity for the community that is "shareable" and links to a strategic business priority.

2

Have a campaign mindset. Identify your audiences and package up projects, insights and emerging ideas from the community with your audiences in mind.

3

Create hero stories built around the unique types of project that an ongoing community enables you to undertake.

THE SOLVE:

Develop hero stories around community USPs

Hero stories help your audience connect emotionally to your insight.

...But not all brands exploit a community's maximum potential. Savvy clients do.

Online communities can help with a multitude of research and innovation needs. However, for the community to really shine and demonstrate its advantage over other approaches, it's worth highlighting the things that you can *only* do through an engaged, ongoing community.

The benefits here are less for community members, and more for the organizational budget holder. This helps you gain maximum value from your investment, and create stories around the community that help protect the investment.



It's fantastically useful to have the end user in mind, understand what problems they have to solve, and find that Venn diagram sweet spot where their problem can be addressed by the solutions you have.

**EXECUTIVE DIRECTOR,
Pharmaceutical
innovation unit**



At a time of rapid industry change, having a continuous connection with clinical lab and healthcare professionals lets us find new ways to provide them more value, which in turn improves the health of our business.

**INSIGHT DIRECTOR,
Medical device
manufacturer**



The biggest advantage of having a community for us has been the ability to involve customers throughout the entire product development process – from category exploration through to the sell-in with our customers – in a way we've never been able to do so before. It's been a truly back and forth, creative and collaborative process, which has created a winning piece of NPD due to launch later this year.

**SENIOR PLANNER,
Beverage
manufacturer**

Your Agency Partner

Online communities can come with a long term contract and relationship. Practitioners share what they've learned about picking the right partner and making the relationship work.

What really matters?

You'll have a different relationship with your agency depending on whether they run an ongoing community or conduct ad hoc work for you.

Perhaps surprisingly, technology is seen as more of a hygiene factor - and is far down the list of critical client needs. Of course, community providers need the tools and capabilities to capture a diverse range of views, in the moments that matter - but our research suggests that an ability to make strategic commercial connections across different data points; to truly understand a client's business; and to match a variety of capabilities against a need, are all far more important than what happens in an app, alone.

Put simply, the most progressive clients are looking for a strategic partner - not just a tactical provider of tools.

The two characteristics that come out on top are the ability to bring insights to life via storytelling and the ability to act as a consultative partner, not a supplier. Coincidentally, these qualities are potentially also the hardest to quantify (therefore, difficult to demonstrate to the procurement department). So, if these qualities matter to you, think about how you can qualify your potential partners.

The table on the opposite page shows how our interviewees ranked priorities when choosing an agency.

AN ABILITY TO TELL COMPELLING STORIES AROUND THE INSIGHT

59%

BEHAVES LIKE A PARTNER RATHER THAN A SUPPLIER

56%

STRONG PEDIGREE IN RESEARCH

43%

COMBINATION OF QUAL AND QUANT EXPERTISE

33%

TECHNOLOGICAL FLEXIBILITY OF THE PLATFORM

33%

SPEED AT WHICH I CAN GET RESULTS

31%

PRIOR EXPERIENCE WORKING TOGETHER

4%

In the know

Your choice of agency partner has huge implications. Here's some advice from industry veterans. TL:DR consider culture as much as skillset.



GET IMPARTIAL ADVICE

Use client forums like MRS and AURA to speak to other practitioners about their experiences with agencies.

Ask to speak to one of their other clients, ideally of a comparable size but from a non-competitive industry, who uses their community in a similar way to what you have in mind.

MAKE IT REAL

It's tricky to get a sense of what the work will be like beyond the promises of the pitch.

... So design a mini sample project as part of the tender process. Ask the agencies to provide example approaches, outputs and indications of cost. As part of this, ask for clarity on the roles of responsibility of yourself vs. the agency. This will show you what is expected of your team and what the agency will do.

LOOK FOR STORYTELLERS

Find an agency that is good at storytelling and can use the 'real' insights they gain when talking to participants to really add the human element to the research and really bring the results to life for your internal audience. You want an agency that has strong research skills and storytelling, as well as strong technology and functionality.

CO-CREATE A PARTNERSHIP

Establish and encourage a common identity with your agency. For one technology company, partnership means a combined community team made up of people from within the business as well as people from our agency. This helps build a common purpose across the team from the outset.

We co-develop technology with our agency. Once every couple of years we get our provider to invest in trialling a new technical approach. They fund it with the guarantee from us that we'll pay for at least one substantial project utilizing it, and work with them to promote their innovation both inside and outside our organization.

Ask them about ways of working. We'd advocate speaking to your agency every day and encouraging individuals to be part of your team from day one.

“
If you don't have
an always-on
insight platform,
you can't release
your team to do
the consultative work.

PAUL LOGUE,
former Vice President of Growth Analytics,
Market Insights and Customer Experience,
Hewlett Packard Enterprises

Down the line

Routes to innovation
in online communities.

Future Challenges

Our research uncovered a wealth of ideas and examples of best practices all of which informed this guide.

However, there were 3 common pain points, which are informing innovation in the community landscape.

86%

WANTED MORE INTEGRATION

“Integration with other sources of data (e.g., social media listening, customer data).”

Now that we are combining the community with these other data sources, clients are able to provide more credible, intelligent synthesized outputs and recommendations. This is something that we see more and more clients demand.

65%

WANTED MORE "IN-THE-MOMENT DATA"

“More live, in-the-moment insight and data, rather than considered comments.”

This would require a shift of emphasis towards capturing feedback, ideas, context and comments ‘as they happen’, rather than relying on providing time for considered responses (whether qualitative or quantitative).

44%

WANTED GREATER AGILITY

Communities that are “easier and faster to deploy to new markets.”

This would increase organizations’ ability to rapidly target, recruit and work with new audiences not currently in the community. While communities are very fast at engaging existing members, setting up completely new markets and audiences can be quite slow.

1

INTEGRATION WITH OTHER SOURCES

Eight out of ten of the participants in our survey agreed that "the usefulness of online communities could be significantly improved if they were more integrated with other sources of data". For some, this reflects a change in the needs and role of the modern insight professional.



How do we integrate community insights with other forms of data? We discussed two ways with interviewees:

1

DATA INTEGRATION

Pre-existing data and trends are often used as a jumping-off point for further investigation an online community, which is used to understand the human truths driving the data. Panels can be used to validate those qualitative findings.

2

INTEGRATED INSIGHT & ANALYSIS

The other route is more integrated project design and analysis – a more rounded approach combining passive and active data collection, which includes non-conscious techniques, behavioral and transactional data, social media monitoring, self reported usage and attitudes, ethnographic approaches and large scale surveys.

This should be led by an intergrated team that works on the project from start to finish and pulls data together in analysis to tell a robust story.

This represents a change in thinking, rather than a technical innovation. There is also a requirement for more holistic skillsets within teams.

“
I want my agency partners to integrate different data points so I can understand the full picture

OPPORTUNITY 1

By marrying data analytics with active consumer collaboration, we can see the what and understand the why. We can capture objective/behavioral patterns and investigate the subjective/emotional states that drive them. We can explore what is and co-create what could be. We can not only identify facts, but also explore how people make meaning from them. We can not only measure the impact of our actions on consumers, but also strengthen our intuition about them.

Data and empathy – both are essential, but alone neither is sufficient. As researchers and marketers – as change agents – everything we do must move customers and the organizations that serve them. Used properly, data and analytics alert us to what we need to pay attention to. They show us the patterns and correlations that warrant further investigation. The rest, though, is the hard, gratifying, and fundamentally human work of making sense of it all.

Historically, we've generated insights by relying on active observation by expert researchers. But now, passive data capture methodologies let us learn about some aspects of human behavior without relying on live observation.

Similarly, in the past, we've relied on consumers reporting their own attitudes and behavior largely by using surveys to elicit rationalisations of thinking. But now, when we have a trusting relationship with consumers, we can use neuroscience, facial coding, implicit association testing, and a wide range of qualitative techniques to tap into unconscious responses.

In short, by integrating both passively captured data and active, conscious collaboration, we can create much more robust and holistic systems for generating insight, relying on both the expertise of consumers and researchers.

“
I need to be a jack of all trades. We have so many data points we need to tie together to give a full picture of the user. It's no longer just quant and qual. It's social listening, it's behavioral science and more.



Case study: IKEA

More than just a flat-pack solution for IKEA



IKEA, the world's largest modern home furnishing retailer, is driven by the vision of creating a better life at home for as many people as possible.

...But they don't see themselves as just a retailer. They want to help build a sustainable future by transforming the way people live, eat, and sleep through quality, affordable products. They believe that when you create a better life at home, you're en route to creating a better life.

IKEA placed their trust in C Space to reinforce that belief. Together, we conducted the research and created IKEA's 'Life at Home' report 2017. We wanted to understand people's needs and dreams, and compile a

piece of thought leadership that would get the world talking.

Over the course of 6 months, we used an ambitious mix of qualitative and quantitative methodologies. We journeyed across the globe and spent 874 hours in home, exploring people's lives in order to understand what makes a better life at home.

Central to our work were 7 core, globally representative countries (US, China, India, Denmark, Germany, Japan and Russia). We conducted 36 in-home interviews in Austin, Chengdu, Osaka, Copenhagen, Mumbai and Munich; interviewed experts who specialize in future archaeology and industrial design, materialism, psychology, as well as digital and cultural anthropology. We created a strand of research called "Home Pioneers" – where we found people living in alternative ways, or in very different kinds of homes. Through self-directed video research and a workshop in Copenhagen where they came together from six countries, we gave them control of the agenda.

Finally, we surveyed more than 21,000 people across 22 countries to robustly validate insights and hypotheses. The communication package created to support the launch of the findings focused on what we called The Five Tensions – universal frustrations that people all over the world could relate

to, such as fighting over mess in the home, and feeling exhausted at the thought of a DIY project.

Films and animations brought a playful touch to the sometimes serious subject matter, and generated a wide range of media hits in numerous countries, from talk-show discussions with listeners in Belgium, to major profiles in the business pages in Germany.

Framing the content episodically, so that local communications leads could decide the best time to use it, and for ease of use on social media, also helped further discussions, supported by an interactive microsite. But the real success was mirrored in the long-term plans and activities now underway across IKEA.

Bringing knowledge back into the brand was a clear objective – so we used different routes to inform thousands of IKEA co-workers, including bespoke workshops, internal communication tools and regular department briefings. As a result, the 2018 IKEA Catalogue includes editorial content that references our research, sharing this with millions of people. IKEA Group's Global Marketing team is also launching a Home Pioneers awards programme with the Life at Home Report at the heart of their communication strategy.



"We discovered that a happy life at home is a mix of my space, your space and our space, but people have a really hard time defining my space within mixed/shared space."

LYDIA CHOI-JOHANSSON,
Intelligence Specialist,
IKEA



**BECOMING MORE
IN THE MOMENT**

A commonly cited benefit of communities is the ability to spend more time with people, speak to them when it's convenient and return to them multiple times about a topic. This is ideal for iterative development of a product, strategy or service, or simply to explore a topic in increasing depth.

Complement discussions and surveys with methods to expose emotion, bias and instinct.

OPPORTUNITY 2

Mix your methods in order to generate the most robust insight.

As one interviewee put it:

"It's not a focus group where you speak to people once. You could speak to them over several days or go back over several weeks or months. You are getting a considered answer and multiple points of input rather than two hours on a Thursday night."

However, advanced practitioners were also quick to point out the limits here. It's so easy to have conversations with members about their attitudes and behavior that other routes to insight can be neglected.

As many behavioral science texts put it: "We're poor witnesses to our own behavior". Ultimately, if you ask someone a question, you'll get an answer. It might just not be a very useful one – a rationalization invented on the spot that doesn't match up to reality. Partly this just comes down to having a strong research pedigree and bearing this in mind for analysis.

However, there are methodological implications. Straight discussions and surveys have to be complemented with methods designed to expose decisions based on emotion, bias and instinct, such as automated analysis.

OPPORTUNITY 2

Living in-the-moment

The best online communities seamlessly integrate with the moments that really matter...

This is already being done. But it isn't always the norm - potentially because more creative or observational approaches are sometimes a more expensive option.

However, a quarter of our interviewees strongly agreed that communities would be more useful if they could provide more access to "in-the-moment, live data, rather than considered comments".

1

COMMUNITIES AS PORTALS INTO MEMBERS' LIVES

The best communities are more than just spaces "where the research happens."

The community becomes the collection and discussion mechanism, not the method.

2

A MOBILE-FIRST ATTITUDE

The way the world communicates is changing. We're not limited to text, or hardwired to a desktop. We communicate through photo, through video; by showing rather than telling. This emerging reality informs the design of the community, its culture and its means of communication - to facilitate and encourage more live input as it happens.

In many of C Space's online communities we use filmed responses via mobile so we can see what people do in real time, not just hear about it afterwards.

3

CO-DISCOVERY OF ACTUAL USER DATA

Showing community members their own behavioral data as a prompt for discussion can lead to illuminating insights, when you compare stated behavior with actual.

4

INTEGRATION OF MORE PASSIVE DATA COLLECTION

For example, lifelogging via video and capturing data via wearables and connected devices.

5

CONDUCTING BEHAVIORAL EXPERIMENTS

Opportunities to use AB tests around different product variants or information. Again, the community becomes the access point to consumers, not the method.

PHILIPS Case study: Philips Healthcare

Lumify: Making ultrasound images portable through mobile



Philips Healthcare had developed a powerful new technology. To launch it successfully they needed to understand its role in the working lives of doctors and midwives.

To reach such an elusive population research needed to be where they were – in wards, in ambulances and at house calls. To accomplish this, we recruited 30 working healthcare professionals into a mobile-optimized online community, allowing us to literally be where they were (in their pockets!).

Our research plan balanced between iterative, constant insight and focused, in-depth insight aimed at identifying barriers, mining for opportunities for Lumify to successfully enter the market, and refining the product positioning. It was great because engaging with our projects required no commitment

to a specific time, and easily fit into the HCPs schedules.

The use of the mobile app helped generate data reflecting daily realities, challenges and needs when using traditional ultrasound devices on patients. On mobile, we were able to replicate how doctors would use Lumify; on-the-go, when needed and as often as needed. They used the app to keep detailed diaries reflecting use of ultrasound and unmet needs. We collected authentic, in-the-moment insight, allowing doctors to log in at their own convenience, sharing why they needed the mobility and agility of mobile ultrasound.

Our desktop activities lent themselves to a different style of fieldwork enabling us to hone in on specific, detailed feedback – which was especially useful when we wanted them to critique stimulus. The use of the desktop activities allowed HCPs to iteratively improve on proposed positioning, adding suggestions, tweaking language, and annotating directly on concepts to reflect their immediate reactions. Projective storytelling activities generated data to support personas for each HCP segment that would ladder the realities of these HCPs to crescendo into the right insight to inform and direct Lumify positioning. After 4 weeks of intense research, we tied all these data

points together using creative storytelling. This helped us create a compelling narrative around how emergency room doctors and community midwives see Lumify and how they would use the technology. Our point of view built on the personas we created for each segment, the deep understanding of the human truths driving decision making for each segment, and the rewards each segment looks for in interacting with patients and in using technologies to facilitate these interactions.

We presented these findings and videos in two interactive workshops that included insight sharing, in addition to working directly with Philips to transform insight into positioning statements. Subsequently, we came with strong recommendations for Philips Healthcare on how to position Lumify to emergency, hospital, and community based doctors and midwives. Philips incorporated these true-to-life stories into their strategies, leading to a successful product launch.

Philips' chosen positioning shows how a successful partnership that used different and creative methods in collecting data and engaging with research participants, resulted in deep understanding of the core audience and a successful positioning of Lumify.

We essentially gathered 'live' insights, and the quality of their posts were honest, specific and valuable.



SOLVING THE AGILITY PARADOX

It's important to stay true to your core customer base. But sometimes you need to expand your horizons in order to expand your market share. How do you extend your reach without also extending your budget?

Communities
may be cost-
effective, but
what happens
when you
want to engage
someone new?

OPPORTUNITY 3



Our core market is Western Europe, but there is potential for our products in Brazil, Eastern Europe and Africa. We want to stay close to our core. But we also want to be able to dip in and out of the other markets to see whether audiences there see opportunities the way we do.

INSIGHT MANAGER,
Social media brand



We have lots of audiences. We might have a brief on mothers one week and a brief on Millennials the next. And we have tons of 'data.' It has been hard to find an effective way to deep dive into different audiences over the year. There needs to be innovation here.

INSIGHT MANAGER,
Consumer Goods
Brand

OPPORTUNITY 3

Staying agile, going deep

How can we build both agility and depth into our online communities?

One of the perceived advantages of online communities that interviewees talked about was speed. If you've already got a group of screened, recruited and engaged members in the community, it's far faster to engage them than it is to recruit and meet equivalent people in focus groups.

Cumulatively this also becomes more cost-effective over time. However, that speed benefit only applies when your community has those kinds of people in it already. What if there's a more niche audience or different market you want to rapidly tap into, and still get qualitative depth?

This brings us back to the panel/community and breadth/depth debate. How can you get genuine breadth, genuine depth, fast – without a huge price tag?

The issue with a traditional panel dynamic is that its emphasis on surveys and points/payment per contribution creates quite a transactional relationship. It's difficult to then engage those people in far more depth than they're used to.

There are exceptions. Where we've seen potential is with brands that by their nature engender a deeper relationship (not necessarily always a



Entertainment is a prime example. One of the football clubs we spoke to has a community, but it really has more in common with a panel.

happy one) with consumers, regardless of the platform they're engaging with.

There are over 4,000 members and virtually all their contributions are via one-way surveys. Qualitative interaction is limited. However, even within that format they are willing to spend a lot of time on the site, contribute lengthy answers to open-ended questions

and volunteer spontaneous suggestions to the fan or match-day experience.

It's simply down to them caring about football, their club and their match-day experience. Incentives are limited and participation is open. Taking part is not just a transaction. The club in question is currently limited by their tech platform, which isn't

designed for qualitative work. But they're actively exploring how they can capitalize on this unusually large, but engaged group, through shorter term communities.

Achieving breadth, depth and speed without an exorbitant price tag is tough. The inherent "pull factor" of a football-related brand isn't something everyone can emulate.



Case study: Spotify

Spotify: a global conversation on music



Spotify's global community of music fans has evolved into a participative, 2 – way, generous conversation between customer and brand.

Spotify has achieved a more agile way of reaching users – however, they've done so by coming at the problem from a very different angle. The Spotify community started as a way to connect users around customer service and technical issues, but over time has become far more.

It's become a combination of a brand extension, crowdsourced support and advice, a forum for insight into users' lives, habits and frustrations, and a platform for developing new ideas and features.

The community is not owned by "customer insight" – it sits between multiple departments with different agendas. It's a nice reflection of how different

interaction with modern brands can now be: participative, two-way, generous and open.

However, even though there is a huge user base in there, allowing you to deep dive into a niche audience at will, this still doesn't solve the agility paradox completely as it only captures existing users, not non-customers.

Overcoming this challenge – reaching new audiences, fast but in-depth, digitally – might require a change in the public's perception of "research" or interaction with a brand. The transactional nature of "research for cash incentive" isn't enough to get us to a place where we can authentically engage with people in disparate locations.



Overcoming this challenge – reaching new audiences, fast but in-depth, digitally – might require a change in the public's perception of 'research' or interaction with a brand.

So

Where next for
online communities?

what?

As the context for brands shifts in dramatic and unpredictable ways, the requirement of customer insight, and the ways of working shift too. Which model will help us hardwire the customer in to business and lead to customer inspired growth?



We are on the cusp of a wave of innovation in communities.

How can we move beyond research - to a place where customers genuinely drive business growth?

Some of the innovation around online insight communities will doubtless come from solving the three challenges discussed earlier in this report. However, we see other paths to innovation.

Technology is perhaps the most obvious. Like all digital experiences, communities are increasingly mobile first.

People have often worried about contribution levels for research on mobile devices. But mobile technology has caught up. And our habits have changed accordingly.

Deloitte's 2016 study into smartphone usage has showed an increasing move from voice calls to messaging and video services, with more than a quarter of users in 2015 never using their phone to make a call. That rate has doubled in four years.

As our own research has shown, you can get the same quality of responses on tablets as on a desktop. It's true that smartphone contributions are slightly shorter. However, what really improves contribution is keeping the research simple and likeable.

In practice this means reducing the number of questions you ask, building a relationship with people and explaining the context in which the work will be used.



It used to be good to talk... now it's good to tap.

PAUL LEE,
Analyst, Deloitte



If you put the same open-ended question on a private community and a Google Consumer Survey, the private community delivers 80% longer responses. Why? They care. You've built a relationship and they know why they're doing it.

As Roy Langmaid, C Space's psychologist in residence and co-founder, puts it: "To open up the question, you have to first open up the person."

At C Space, we build all our communities 'mobile first' as standard – so that we can use a comprehensive suite of on-the-go tools alongside desktop and tablet functionality. It's opened up a world of possibility for us. We're able to get into places and spaces that have never been obtainable, either through traditional research methodologies, or from the limitations of a hard wired desktop computer.

Increasingly, we ask our members to report on what they're seeing through rich video content (to complement what we learn through more traditional discussions and surveys). This footage is automatically transcribed within our platform and is therefore searchable. We can catalogue,

search and see what people think, at scale – something that seemed a pipedream as recently as 12 months ago.

And under the hood, we've been using automated analysis to observe shifts in opinion over time, though all content sources. Our platforms can intelligently monitor sentiment and flag changes so that we can follow up with our members and ask 'why'? For qualitative suppliers, this kind of automation allows us to think smarter and process more information, at scale and over time – to provide deeper longitudinal insight for our clients over time.

Technology and tools are only a part of the answer, however. While we spend a lot of time developing our tech to better engage our members and to improve member experience and engagement, we also know that in the online community space, technology is a hygiene factor.

So while the functional benefits of an 'off the shelf' tech solution often appear to be the most cost effective, we see and hear that clients are looking for more from their agencies than just a suite of tools.

To open up
the question,
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the person.

To try to generate competitive advantage the world's leading companies are turning to their customers. This isn't new news. In its 2013 study of over 4,000 C-suite executives, IBM's Institute for Business Value found that CEOs claimed customers exerted a bigger influence on strategy than all but the C-Suite itself.

However, brands can still struggle to reconcile the rhetoric of 'customer-centricity' with the actions required to achieve it. Customer centricity can feel like an empty promise. Why?

We think the answer is two-fold:

First, we know that collecting Insight & Business Intelligence is only a part of the answer. Collecting and interpreting the data is only one side of the coin. Insight without change isn't valuable. It isn't seen, heard or acted upon. Now, more than ever there is a need for Insight teams to play a significant role in shaping C-Suite decisions – and these teams will need to look for agency partners who can deliver 'beyond the platform' to help drive meaningful change within their organizations.

Second, acknowledging that customer needs will play more of a role in shaping business decisions, the very nature of 'business consultancy' will start to change.



The most successful brands will need to solve for emotional or desirable needs – like making customers smart or proud about their decisions (over functional or frictional needs like queue length or delivery times). But solving emotional challenges at scale is hard. Reconciling emotion at scale, and transforming this to positive business change (and ultimately growth), even trickier. We believe that the more intimate, on-going, two-way relationship with customers that communities can provide is the single biggest opportunity for the most progressive businesses; their secret sauce. But to unlock success, providers and suppliers will need to demonstrate capabilities beyond insight alone. This kind of challenge requires thinking and capabilities that extend beyond a single research channel or methodology. It requires agency thinking that combines rich qual with broad quant – and more emphasis will be placed on the need for agencies to be able to tell compelling,

more relevant stories around what they're discovering.

There are always other sources of big data. If you want incredibly fast questionnaires, new breeds of on-demand, disintermediated panel providers can deliver that.

Communities can deliver some of this too, and many businesses will continue to look for blended approaches.

But the trust and relationship that can be established within a private community over time unlocks completely different opportunities. In an on-demand panel, you can test hypotheses you already have. You're less likely to discover something completely unexpected or genuinely understand the 'why' behind the data.

You can ask open-ended questions, but the results you'll get are as different as asking a question of a stranger in the street versus a friend over a fire-side chat. It's the space you make, not



People often talk as if we have to choose between fast innovation cycles and slower more strategic thinking. We believe communities can support both.

the question you ask, that makes the difference.

If you're thinking that online communities are solely a cheap substitute for qualitative research, stop. Right now.

In the same way that qualitative research rapidly became a commodity, what Roy Langmaid called 'questionnaires in armchairs', we run the risk of eroding the potential of online communities. A dead end. Increasingly we see a schism. Organisations need quicker and cheaper. But they also need relevant and thoughtful. Digital research, especially communities, have been seen as a route to fast, cheaply.

People often talk as if we have to choose between fast innovation cycles and slower more strategic thinking. We believe communities can support both.

We need be fast and slow. Communities can help us optimise an advert for launch next week, or help us follow a mother's journey from first scan to first steps. With this as a mandate, we believe we are on the cusp of

seeing a new wave of exciting, innovative usage of communities.

To do this though, we have to celebrate what makes communities special.

At their best, they are not a technological platform where research activities happen. They are a portal to customers' lives. A window on the world, not a website. A window integrated with all kinds of data sources to help brands make better decisions. They have the potential to help brands gain greater insight, collaboratively learn and develop new products, new services and strategy with and for their customers and consumers. To deliver this, we need to go beyond cash for questions and obsess with building relationships. From our research, we believe that the brands that are getting the most value and impact from their communities are those that recognise the value in these relationships.

They see their communities as an opportunity to bring the customer inside their business. A catalyst for change and a way of driving growth. Customer inspired growth.





We recognize that we can't solve everything ourselves, that the customer plays an important part in co-creating with us.

JENNIFER HSIEH,
VP of Insight, Strategy & Innovation,
Marriott International

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ABOUT C SPACE

We are C Space; our clients call us their customer agency. We create rapid insight and business change, putting customers at the heart of companies and solving problems from the customer's perspective.

We keep our clients relevant by building real, ongoing relationships with customers that in turn help them deliver superior experiences, launch successful products and build loyalty.

Our customized programs are tailored to specific business needs and include private online insight communities, immersive storytelling, data and analytics, activation events, innovation projects and business consulting.

We do this for many of the world's best known brands – like Bose, Etihad, Walmart, McDonalds, Jaguar Land Rover, Mars, Samsung, IKEA and more – to create “Customer Inspired Growth”.
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