



## Size Matters

When Insight is the Goal, Small Communities Deliver Big Results

POSITION PAPER | 2007

*As brand “communities” of all shapes and sizes become an expected element in the marketer’s toolkit, an increasingly urgent question is: How can companies use customer communities to the greatest effect?*

*When the goal is to achieve deep customer insight and relationship, smaller, private and branded communities are a more effective strategy than large, public ones. In this paper we demonstrate how smaller communities outperform larger ones in many respects crucial to this objective.*

*In a companion paper, “Meeting Business Needs by Meeting Social Needs in Small Communities: Why Size Matters,” we offer some insight into why small, private and branded communities are compelling—and necessary—for consumers and marketers alike.*

**Introduction** These days it is hard to fathom who is *not* online and participating in some form of social network or community. With over half of the adult U.S. population—and three-quarters of young people—participating in online groups<sup>1</sup>, accessing these consumers *through* online communities is now an assumed—and centrally important—business strategy for companies.

However, this enthusiasm for community is tempered by confusion about what it actually is and how companies can get the most value from their investment in them. The answer is not simple and uniform, as different types of communities are more or less appropriate for different business objectives. Large, public sites (where one percent of visitors create new content and another ten percent rate or edit that content<sup>2</sup>) are excellent resources when a company’s goals are page views and push marketing. But our research suggests that smaller, private and branded communities are actually a better choice when company goals are building relationships, creating advocacy, and gleaning deep customer insights. Indeed, we have found that members of small communities know their voices matter, believe they can make a difference, have more targeted and open conversations, and develop meaningful relationships with each other and the sponsoring company. These qualities depend upon a trusting—even intimate—environment where close relationships flourish; and they are essential for creating the company-consumer bonds that deepen a company’s understanding and knowledge of its customers.

As Charlene Li of Forrester Research notes, companies today must, “create a coherent social strategy by focusing on relationships—not technologies.”<sup>3</sup> We would agree with this statement based on years of proprietary research, secondary sources, and what we continually hear from our clients. In this paper, we have synthesized this information and present some evidence that, when insight is the goal, small communities can deliver big results.

**Smaller Communities Get Big Results** Community can be defined as *any group of people who share common interests, interact with one another and form ongoing, reciprocal relationships over time*. While this definition is broad enough to include many social networks currently available to consumers and companies, it emphasizes the fundamental qualifier of relationship, which is critical when a company’s goal is insight, loyalty or advocacy.

<sup>1</sup>C. Li, “Know your Customers’ Social Technographics and Craft the Right Social Marketing Strategy” (Forrester Research, 2007).

<sup>2</sup>Ben McConnell & Jackie Huba, *Citizen Marketers: When People are the Message* (Chicago, IL: Kaplan Publishing, 2007).

<sup>3</sup>C. Li, “Know your Customers’ Social Technographics and Craft the Right Social Marketing Strategy” (Forrester Research, 2007).

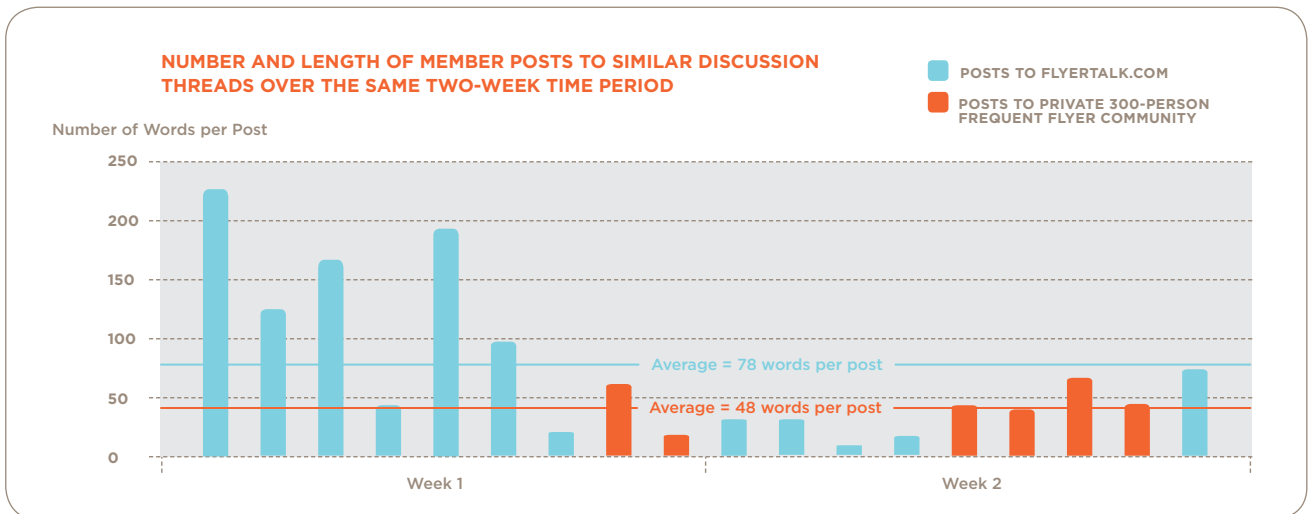
## Supporting Evidence for Small, Private and Branded Communities

As one of the forerunners in the social computing space, we have found that smaller, branded, intimate communities create a culture of trust, candor, connection, and respect, which enables the sense of relationship between brand and customer that ultimately drives business growth and innovation for companies. Typically, Communispace communities are branded, password-protected sites where up to 400 invited customers spend an average of 30 minutes a week over a period of months (or even years) helping companies figure out business issues. We have built and run over 275 such communities, and have amassed a body of evidence demonstrating that “going small” delivers large value for companies.

What follows is a brief review and synthesis of key data points that substantiate the value of small, branded and private communities. For a more detailed description of supporting research, see the Appendix at the end of this document.

**1. Participation is more vibrant and robust.** Research conducted in 2006 and 2007 demonstrates that participation rates in small, private and branded communities outperform larger, panel-based or public communities<sup>4</sup> in terms of average monthly participation, volume of posts, and weekly lurker rates. For example, in our communities only 14 percent of members on average logged in and did *not* post new content every week (or “lurked”). In contrast, this ratio is reversed for large, public sites where only one percent of site visitors create new content, another ten percent rate or edit that content, and 89 percent of visitors opt to remain silent and passively read. These disparities underscore the value of private, intimate settings for eliciting conversation among the majority of participants, with a substantial number of people contributing *new content* and sharing their *unique* voices. While public sites may garner more eyeballs, we contend that the vast majority of visitors to these sites are modestly engaged in the conversation at best.

**2. Contributions are higher quality.** Differences in quantity and quality of member contributions are also apparent when large public and small private communities are compared. By way of example we compared one of the most long-standing and vibrant public communities, FlyerTalk, to one of our branded, 300-person communities comprising frequent flyers and sponsored by a major airline company. From a purely quantitative perspective, lurker rates on FlyerTalk were as high as 97 percent (meaning only 3% of visitors actually contributed content to the site). From a quality standpoint, and for purposes of comparison, we identified two discussion threads about corporate websites and found that for the same two-week period, members in the small, private community contributed more frequently and said more than FlyerTalk members:



<sup>4</sup>K. Lerman & M. Austin, “The Fifth ‘P’ of Marketing: Participation” (Communispace whitepaper, 2007).

Further differences came to light when two discussions about in-flight meals were examined qualitatively. In the FlyerTalk discussion thread posts were largely characterized by either detailed reports about meals on various flights or member “rants” about meal service. In contrast, posts to the discussion on the private 300-person community tended to offer not just experiences, but opinions, rationale, and targeted, actionable suggestions:

Example of Qualitative Differences	
FlyerTalk.com	Private, 300-person Frequent Flyer Community
<p>Reporting on the Low Fat/Low Cholesterol breakfast out of PDX.</p> <ul style="list-style-type: none"> <li>- 3 slices of French Toast with maple syrup.</li> <li>- Small fruit bowl consisting of 4 kiwi slices, 1 slice of cantaloupe and honeydew, a small bunch of grapes; packaged multigrain bagel with raisins (yuk but at least I can pick them out) and low fat cream cheese.</li> <li>- I was offered additional bread from the bread basket.</li> <li>- Lots of jealous eyes in the cabin.</li> </ul>	<p>I think that [airline company] should work on having meals on flights be around 600-650 calories. It doesn't need to be a vegetable plate, but just something good that is somewhat health conscious. Besides being something I would personally like, I think it would be good for everyone; most of the meals I see on [airlines] are 1,000+ calories. In fact, I added up the calories of a snack box in first on [specific flight]; there were almost 1,000 calories in just the snack box. Again, random thought and idea. You don't have to substitute quality or uniqueness for lower calories either.</p>

Note that the FlyerTalk contribution provides great specificity about what elements constituted the low-fat meal option. We can presume, however, that the airline has accurate records of meals served on various flights, and while detailed, the FlyerTalk post does not necessarily represent new information. In contrast, the member post from the private 300-person community does contain details that may be new for the sponsoring company. In particular, the member provides actionable feedback about calorie limits for low-fat meals and identifies a specific problem for calorie-conscious flyers (e.g., 1000-calorie snack box).

This example illustrates how members provide constructive, actionable feedback to companies when they are confident that their suggestions are being heard. Limiting the size of communities allows the sponsoring company to connect more easily and authentically with a select group of customers to ensure feedback remains high quality, rich and candid over time<sup>5</sup>.

It is worth noting that we have experimented with 1000-member communities as well as with “syndicated” unbranded, segment-specific communities (where multiple clients from different industries could access, for example, a community of Latino women on a pay-per-activity basis). In both cases our clients reported that these methods were less valuable: Insights were less frequent and not as actionable, participation rates in large communities were actually worse than a 300-person community; the member experience was less satisfying, and the customer-company relationship was comparatively weak. Testing these models out has provided additional evidence that small, private communities deliver quality insights.

*“As I signed up for this, I got the idea that I was part of an elite group of guys who are cooler than most people who aren't members... it would be lame if just anyone can qualify for it. I want to be elite.”*

- STYLE LEADER, YOUTH COMMUNITY

<sup>5</sup>M. Austin, “Research Report: Does Community Membership Lead to Positive Bias?” (Communispace whitepaper, 2005).

**3. The member experience is uniquely engaging.** We have studied the quality of member experience in some depth, and our research suggests that small, private communities provide members with a setting that is both *egalitarian* and *exclusive*. For example, while our small communities are essentially democratic (e.g., members are “equal” within a community as there is no status given to specific individuals and no technical means for creating sub-groups within a community), the private, invitation-only and password-protected format elevates members to the status of a company’s trusted advisors. This status is awarded unilaterally to *all* members, making everyone within the community part of a privileged “in group.” The importance of granting members insider status cannot be underestimated<sup>6</sup> and members have consistently stated that being an insider is a key reason for their ongoing participation, an effect that is heightened when communities are small and exclusive.

**4. Members do more for the company because their voices matter.** Member testimonials as well as empirical findings all suggest that members stay engaged—not for monetary reward—but because they can influence and have a relationship with the sponsoring company.

Members contribute more when they know who they are talking to: *Branded* communities deliver, on average, 5000 more pieces of new content yearly than unbranded communities, and larger incentives were shown to be *unrelated* to increased member activity (in terms

*“In this day and age, it’s rare when a company/organization recognizes that we are their customers, and without us, there is no company; and then asks us how to make themselves better. I applaud [the company] and plan to maintain my relationship with them for a long time.”*

- DECISION-MAKER,  
TECHNOLOGY B2B COMMUNITY

of volume of posts, frequency of posts and lurking)<sup>7</sup>. Indeed, the potential for a meaningful connection with—and the opportunity to influence decision-making in—the sponsoring company is a compelling factor; one that is magnified when communities are smaller-scale and exclusive.

**5. Customer-company relationships are strengthened.** In 2006 we aggregated the results of our standard community evaluation survey to assess how members’ feelings toward sponsor companies changed as a result of their community membership<sup>8</sup>. We found that, not only did members report feeling more *positively about sponsoring companies* as a result of community membership (e.g., greater trust and respect for companies, more likely to recommend a sponsoring company’s products, etc.), members’ feeling heard by a company was positively and significantly related to purchase intent as well as how likely they were to recommend a company’s products or brand.

**6. Dialogue with the “right” people is more valuable than broadcasting to a general audience.** On the surface, it makes sense that marketers should disseminate their messaging broadly to

reach the broadest possible audience. But as Bradley Kay asserts in his whitepaper on micro-communities, “the new model for success is less about scale and more about the power of niche micro-communities and exclusivity.”<sup>9</sup> Smaller communities offer members a more targeted and gratifying experience based on strong social glue and shared interests, as is evident in both business and political arenas (witness the efforts of 2008 presidential candidates to create profile pages

*“I feel that many of my comments can make a difference for the company ... and ultimately the consumer.”*

- INVESTOR,  
FINANCIAL SERVICE COMMUNITY

on niche social networks<sup>10</sup>). In small, private communities companies can share product prototypes, delve into the needs of specific audiences, and target their offerings to key consumer groups.

<sup>6</sup>M. Austin, “Youth Culture Report” (Communispace whitepaper, 2005).

<sup>7</sup>K. Lerman & M. Austin, “The Fifth ‘P’ of Marketing: Participation” (Communispace whitepaper, 2007).

<sup>8</sup>K. Lerman & M. Austin, “What Companies Gain from Listening: The Effect of Community Membership on Members’ Attitudes and Behavior in Relation to the Sponsoring Company” (Communispace whitepaper, 2006).

<sup>9</sup>B. Kay, “Micro-communities,” *The Hub*, July/August, 2007, p. 34-35.

<sup>10</sup>“On Specialized Websites, Candidates Home in: Obama, Others Find ‘Friends,’ and Networks Benefit,” *The Boston Globe*, 23 October, 2007..

These kinds of results are not possible when community size exceeds a company's ability to personally relate to individual members. Additionally, a company's clear ownership of and investment in a core, exclusive group of customers sends an important and valuable message about its commitment to listening and taking members' suggestions seriously. And although it may be more cost-effective on the surface to pay for periodic access to "shared" communities, or to simply tap into large communities of networked panel members, companies will not reap the benefits of meaningful and lasting customer relationships with these models. Indeed, one of the risks with these approaches is that members of large networks form a relationship with the panel or community provider<sup>11</sup>, and thus the *vendor more than the sponsor company* gains the benefits of increased customer advocacy, loyalty and enduring goodwill.

### As Intimacy Decreases, so Does the Quality of the Community

Evidence suggests, then, that there is great value for companies in creating small, private and branded communities. We have found that large communities do a poorer job than smaller ones of delivering a high quality of relationship; connections among members—and between members and sponsoring companies—are weaker, more transient, less "sticky" and less satisfying all around. When companies rely on large communities—even private ones—as a primary model for insight generation they realize *less value*. Larger scale communities (be they public or private) are less able to build and maintain meaningful and enduring customer relationships for a number of reasons:

**1. Members are less certain they are making an impact** on the sponsoring company. In large communities the consumer relationship is weaker and members feel less engaged as their voices get lost in the multitude.

**2. Large communities are less focused**, so members seeking to come together around a common purpose are less satisfied with the experience.

**3. The number of members is potentially overwhelming**, thus members' sense of community is diminished (and this may be why larger communities enable members to create their own, smaller networks—it is not possible to feel connected to and engaged with 10,000 people).

**4. Members have fewer meaningful relationships** in large communities, so when they do need help there are not as many people to turn to that they trust and really "know."

**5. There is more "targeted diversity" in smaller communities**; conversation is more relevant because of a clear community purpose, yet there is a diversity of voiced opinions because there is "room" for many members to really feel heard.

This does not mean that companies should simply forget about trying to connect with large numbers of customers through online communities. Rather, it suggests that marketers and community providers alike must look for ways to "scale" intimacy rather than to sacrifice it, whether by maintaining multiple small communities or by partitioning large ones so that the participant experience is still that of being part of an intimate, size-limited group.

*"I think it is easier to get a better understanding of what mom's are trying to say within a smaller community. The larger the community, the more opinions and broader scope (which isn't always a plus), and one usually has less communication range with the provider of the community. In plain English, you just can't be heard! That's what I LOVE so much about the [community]. Small community, concerned Moms, people who truly love and treasure their children enough to log on every few weeks just to let their voices be heard for the sake of those children. It has truly been an incredible experience..."*

- MOTHER, MOMS COMMUNITY

<sup>11</sup>M. Jennings & J. W. Schlack, "From Research to Relationship: Using Communities to Gain Entrée into Customer Conversations" (Communispace whitepaper, 2006).

### If Companies Seek Insight, They Must Build Relationships

Companies are starting to realize the value of community in generating deep insight or knowledge of the needs and behaviors of their customers; and marketers must create *connections* with customers and actually build relationships in order to generate actionable and meaningful insight. It is by virtue of these company-customer relationships that marketers gain entrée into conversations revealing consumers' unmet needs, private hopes, wishes and concerns<sup>12</sup>. And what makes communities in which the sponsoring brand plays an ongoing, reciprocity-based role particularly powerful is that they satisfy a basic human need for *reassurance of worth and value*<sup>13</sup>.

When corporate sponsors of online communities engage with their customers, demonstrate listening, and refine their products and services accordingly, they are meeting this need, creating a deeper emotional bond than usually exists between companies and customers, which in turn results in greater understanding of customers, as well as organic customer advocacy and loyalty<sup>14</sup>.

### Appendix: Supporting Evidence Detail

#### 1. Participation is more vibrant and robust.

**Position:** Private and branded communities outperform larger, panel-based or public communities in terms of average monthly participation, volume of posts, and weekly lurker rates. These disparities underscore the value of private, intimate settings for eliciting conversation among the majority of participants, with a substantial number of people contributing new content and sharing their unique voices. While public sites may garner more eyeballs, we contend that the vast majority of visitors to these sites are modestly engaged in the conversation at best.

**Evidence:** The Fifth 'P' of Marketing: Participation, Lerman & Austin (2007), Communispace whitepaper:

<ul style="list-style-type: none"><li>- We examined community member participation across 66 communities (<math>N = 38,515</math>, average community size = 350 members); this sample represented 41 sponsoring companies from 13 different industries.</li><li>- Analyses demonstrated that only 14 percent of members on average logged in and did <i>not</i> post new content every week (or "lurked"), in contrast to the average lurker rate of 89-99 percent on most public sites.</li></ul>	<ul style="list-style-type: none"><li>- When aggregated monthly, each unique contributor averaged nine contributions.</li><li>- When we "do the math," we find that to glean 2000 contributions each month, one would need a 400-person, private community (with 56% participation rate and 9 contributions per active member) or a public site with 200,000 visits per month that gets one percent of all monthly visitors contributing once.</li></ul>
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<sup>12</sup>ibid

<sup>13</sup>J. W. Schlack, M. Jennings & M. Austin, "Why Size Matters: Meeting Business Needs by Meeting Social Needs in Small Communities" (Communispace whitepaper, 2007).

<sup>14</sup>K. Lerman & M. Austin, "What Companies Gain from Listening: The Effect of Community Membership on Members' Attitudes and Behavior in Relation to the Sponsoring Company" (Communispace whitepaper, 2006).

## 2. Contributions are higher quality and rich with potential insight.

**Position:** Differences in quantity and quality of member contributions are also apparent when large public and small private communities are compared. Current and past research into quality of member open-ended responses has shown that member feedback is both candid and rich in useful details, with members offering unaided explanations of why they like or dislike aspects of products or new concepts being tested; additionally, candor and richness were shown to remain consistent throughout members' tenure in a community.

### Evidence:

- 1) *Research Report: Does Community Membership Lead to Positive Bias?* Austin (2005), Communispace whitepaper:

<ul style="list-style-type: none"><li>- In 2005, we examined community member evaluations of concept tests (<math>N = 2357</math> members across 15 different CPG communities) to explore the possibility that members provide systematically more positive product evaluations as they spend more time participating in company-sponsored communities.</li></ul>	<ul style="list-style-type: none"><li>- Results indicated that: Tenure had little effect on member evaluation of new product concepts; members clearly discriminated between "good" and "bad" ideas; and members' responses were candid and rich regardless of tenure. Qualitative analysis showed that open-ended questions provided balanced feedback (60% critiqued or challenged) and detailed information (80% provided rationales for their likes and dislikes).</li></ul>
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- 2) Current research exploring quality across various online community platforms (Communispace whitepaper forthcoming). As of November, 2007, we are still collecting and analyzing data for this project, however preliminary results indicate that:

<ul style="list-style-type: none"><li>- While FlyerTalk discussion threads remain open and technically active for years, the median number of posts per thread was nearly identical to discussions in a 300-person community.</li><li>- In our comparison of similar discussion threads, average word length of post was shown to be higher in the Communispace community (78 words per post) than FlyerTalk (46 words per post), Communispace members were shown to post more frequently than FlyerTalk members, as well.</li></ul>	<ul style="list-style-type: none"><li>- Lurker rates on FlyerTalk were as high as 97 percent (meaning only 3% of visitors actually contributed content to the site).</li><li>- Qualitatively, in the FlyerTalk discussion thread posts were largely characterized by either detailed descriptions of meals on various flights or member "rants" about meal service. In contrast, posts to the meal discussion on the private 300-person community tended to offer actionable suggestions.</li></ul>
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### 3. The member experience is uniquely engaging.

**Position:** Our research suggests that small, private communities provide members with a setting that is both egalitarian and exclusive. Our communities are essentially democratic (e.g., members are “equal” within a community as there is no status given to specific individuals and no technical means for creating sub-groups within a community), yet the private, invitation-only and password-protected format elevates all members to the status of a company’s trusted advisors and privileged “in group.”

**Evidence:** *Beyond the ‘Other’ Box: Giving Customers an Independent Voice in Your Community*, Lerman (2007), Communispace whitepaper:

<ul style="list-style-type: none"><li>- A study of 84 communities demonstrated that engagement was more vibrant when members had an equal opportunity to set the conversation agenda.</li><li>- One feature of our communities is that members have an equal opportunity—and are encouraged—to design and author their own activities(e.g., initiating image galleries, starting their own dialogues, writing surveys, etc.); analyses of this behavior showed that, on average, members author—or “own”—nearly half (44%) of all community activities</li></ul>	<ul style="list-style-type: none"><li>- Additionally, correlation analyses indicated that there was a significant and positive relationship between member “ownership” of content and greater response rates to company-driven activities, suggesting that a democratic culture—where all members are encouraged to contribute and influence the conversation agenda—ensures that members say more and do more for their company sponsors.</li></ul>
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Being “in the know” is especially compelling for consumers:

*“As I signed up for this, I got the idea that I was part of an elite group of guys who are cooler than most people who aren’t members...it would be lame if just anyone can qualify for it. I want to be elite.”*

-STYLE LEADER, YOUTH COMMUNITY

### 4. Members do more for the company because their voices matter.

**Position:** Member stay engaged in community—not for monetary reward—but because they can influence and have a relationship with the sponsoring company. The potential for a meaningful connection with—and the opportunity to influence decision-making in—the sponsoring company is a compelling factor; one that is magnified when communities are smaller-scale and exclusive.

**Evidence:** *The Fifth ‘P’ of Marketing: Participation*, Lerman & Austin (2007), Communispace whitepaper:

<ul style="list-style-type: none"><li>- Our research has shown that members contribute more when they know who they are talking to. In particular, we found in our cross-industry study of 66 communities that branded communities delivered, on average, 5000 more pieces of new content yearly.</li></ul>	<ul style="list-style-type: none"><li>- Findings also suggest that the customer-company relationship fostered through small, intimate settings may have more to do with members’ ongoing participation than monetary rewards, as larger incentives were shown to be unrelated to increased member activity (in terms of volume of posts, frequency of posts and lurking).</li></ul>
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Members' reflections on their experience in private communities add texture and detail to quantitative findings:

*"I like reading people's comments, but I would never be able to get through so many [in a larger community]! ... What I would like to see is some results of what we do here. For instance, if [Client] makes a change because of us (hopefully a change we like) it would be nice to hear about it! Otherwise it's hard to tell if anyone is listening..."*

-GEN-X MOM,  
FINANCIAL SERVICES  
CONSUMER COMMUNITY

*"It's like the whole package, yeah sure the incentives are nice but [it's] the surveys and bulletin boards, it's the heads up on future products and promotions, you kind of feel that you had a say ... you're like yeah I did a survey about the effects of that ad."*

-STYLE LEADER, YOUTH COMMUNITY

*"I would just like to say how honored I have felt during this entire adventure. At first, I didn't know what I was getting myself into. I was kind of nervous about it and then the more I logged on, the better I felt about what this site was really doing. In my very small and humble opinion, I think it is easier to get a better understanding of what mom's are trying to say within a smaller community. The larger the community, the more opinions and broader scope (which isn't always a plus), and one usually has less communication range with the provider of the community. In plain English, you just can't be heard! That's what I LOVE so much about the [community]. Small community, concerned Moms, people who truly love and treasure their children enough to log on every few weeks just to let their voices be heard for the sake of those children. It has truly been an incredible experience..."*

-MOTHER, MOMS COMMUNITY

**5. Customer-company relationships are strengthened.**

**Position:** Not only do members report feeling more positively about sponsoring companies as a result of community membership, they also say they are more likely to recommend a company and its products as well as purchase company products in the future as a result of being in a community. Making sure people know their voice "matters" is critical for forming lasting bonds between customers and companies.

**Evidence:** *What Companies Gain from Listening: The Effect of Community Membership on Members' Attitudes and Behavior in Relation to the Sponsoring Company*, Lerman & Austin (2006), Communispace whitepaper:

<ul style="list-style-type: none"> <li>- We aggregated the results of our standard community evaluation survey to assess how members' feelings toward sponsor companies changed as a result of their community membership (N = 2196 members across 7 B2B and 13 B2C communities).</li> <li>- Correlation analyses showed that "feeling heard" was significantly related to increased positive feelings about a company, greater likelihood to recommend a company, and members' intentions to purchase a company's products in the future</li> </ul>	<ul style="list-style-type: none"> <li>- Results of our analyses clearly demonstrated that communities strengthened the customer-brand relationship: 76% of members surveyed felt more positively about the sponsoring company; 63% felt more trust; 75% felt more respect; 82% were more likely to recommend products; 89% felt the company was truly concerned with what customers have to say; 91% felt they could give candid feedback and suggestions; and 90% of members expected the company to actually do something with their feedback.</li> </ul>
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## 6. Dialogue with the “right” people is more valuable than broadcasting to a general audience.

**Position:** On the surface, it makes sense that marketers should disseminate their messaging broadly to reach the broadest possible audience. But it may be that smaller, exclusive communities are a more powerful means for reaching—and communicating with—key customer and consumer groups.

**Evidence:** Recent articles from the business press (published in October, 2007):

- *The Economist*, in its analysis of Facebook, challenges the idea that a social network’s value increases with size; rather, they claim that communities increase in value to members when they are *more discerning and exclusive*<sup>15</sup>. Thus it may be that limiting community size creates greater value for companies, as well.
- This notion—that smaller may be better—is gaining traction in the political arena, as well. *The Boston Globe* reports that the 2008 presidential candidates are discovering the value of creating profiles on niche social networks<sup>16</sup>, where they can more easily build relationships with and target like-minded voters and campaign contributors.

- Bradley Kay asserts in his whitepaper on micro-communities that “the new model for success is less about scale and more about the power of niche micro-communities and exclusivity.”<sup>17</sup> He states that smaller communities offer members a more targeted and gratifying experience where social glue is strong and interests are shared and that it is within these intimate and private settings that companies can share product prototypes, delve into the needs of specific audiences, and target their offerings to key consumer groups.

<sup>15</sup>“Social Graph-iti,” *The Economist*, 18 October, 2007.

<sup>16</sup>“On Specialized Websites, Candidates Home in: Obama, Others Find ‘Friends,’ and Networks Benefit,” *The Boston Globe*, 23 October, 2007

<sup>17</sup>Kay, “Micro-communities,” *The Hub*, July/August, 2007, p. 34-35.

Communispace Corporation, headquartered in Watertown, Massachusetts, is a leading social networking firm that specializes in creating online communities used by major corporations to build long-term relationships with customers. The company builds, manages and facilitates private branded communities that deliver the voice of the customer and enable businesses to generate continuous insights, drive faster innovation, and build loyalty. Founded in 1999, Communispace has created more than 275 online customer communities for industry leaders including: Kraft, Hewlett-Packard, Charles Schwab, Hallmark, Unilever, GlaxoSmithKline, Hilton Hotels, Cox Enterprises, and many more.

For more information visit: [www.communispace.com](http://www.communispace.com)

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THIS PAPER IS ONE IN A SERIES OF PROPRIETARY COMMUNISPACE EXPLORATIONS COMPARING SMALL AND LARGE COMMUNITIES ON AN ARRAY OF QUANTITATIVE AND QUALITATIVE METRICS:

- [Meeting Business Needs by Meeting Social Needs in Small Communities: Why Size Matters](#)
- [The Fifth ‘P’ of Marketing: Participation](#)
- [From Research to Relationship: Using Communities to Gain Entrée into Customer Conversations](#)