

Optimize the Role of Peer-to-Peer Communities in the Customer Journey

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Analyst(s): Jenny Sussin, Guneet Bharaj

Organizations' external peer-to-peer communities can be destinations in, or facilitators of, the customer journey. We show IT leaders how to optimize their use to help achieve key business objectives.

Key Findings

- Most organizations' external peer-to-peer community strategies are fragmented, which results in sales, marketing, customer service and digital commerce teams having disparate channel objectives. This leads to the decision to use communities as destinations in customer journeys.
- External peer-to-peer communities rarely play the role of facilitators of customer journeys, even though this role offers organizations more opportunities to derive business value. This is because the teams that manage these communities generally operate independently, focus on social media, and are not rewarded for cross-channel revenue or savings when a customer moves from a community to the web, email or other channels.

Recommendations

IT leaders:

- Identify customers' reasons for visiting your external peer-to-peer communities.
- Identify your organization's reasons for encouraging customers to engage with external peer-to-peer communities.
- Position external peer-to-peer communities as destinations for social customer engagement if your strategy focuses on peer-to-peer customer support or idea generation.
- Position external peer-to-peer communities as facilitators to guide customers to your web pages or customer service representatives, so that transactions can be recorded in your CRM system.

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Analysis

An external peer-to-peer community — referred to henceforth as simply a "community" — is a type of social CRM application that provides a virtual place for collaboration between people and organizations in a market ecosystem outside the presiding enterprise. Participants may include existing customers, prospective customers, suppliers, partners, influencers and occasionally competitors.

Community software includes tools that enable community members to interact online on a peer-to-peer basis, in order to share ideas, support other members, offer suggestions and comment on each other's thoughts.

Common community features include forums, blogs, wikis, ratings and reviews, member profiles, polls, events, and administrative moderation and analytical capabilities (see "Technology Overview for External Community Software for CRM").

Communities have been used effectively by organizations in key industries such as telecommunications and high tech to foster and support customer-centric strategies. A dedicated community can increase brand loyalty and advocacy, improve customer satisfaction, and support a myriad "soft" metrics that organizations' CRM teams are interested in, such as the success rate for soliciting product reviews from customers. Communities can also help organizations achieve "harder" metrics, such as for reducing customer support costs and developing new revenue streams.

However, organizations frequently struggle to optimize their community strategies as the teams that manage communities often operate independently and focus on social media, which makes it nearly impossible for these teams to identify their impact on any business metric beyond their immediate purview. This results in communities that are independent destinations, existing in their own separate spaces, with limited, or no, ties to other customer engagement channels.

There are two ways in which organizations can use communities — as destinations in, and as facilitators of, the customer journey:

- As destinations, communities are endpoints in cross-channel customers' journeys to engage and/or transact with an organization (see "How to Determine the Role of Social Media in Your Customer's Journey").
- As facilitators, communities are temporary stops on customers' journeys toward destinations where they will make purchases or receive support. Essentially, facilitating communities direct customers to websites or to telephone or email channels.

To optimize the role of communities in supporting customer journeys:

- Identify customers' reasons for visiting your communities.
- Identify your organization's reasons for encouraging customers to engage with communities.
- Position communities as destinations for social customer engagement if your strategy focuses on peer-to-peer customer support or idea generation.
- Position communities as facilitators to guide customers to your web pages or customer service representatives, so that transactions can be recorded in your existing CRM system.

Identify Customers' Reasons for Visiting Your Communities

Customers have specific objectives in mind when they decide to engage with organizations' communities. As Table 1 shows, these objectives include a desire to receive information about products or services and a keenness to help others.

Table 1. Common Objectives of Customers Engaging With Communities

Customer Objective
To register as a customer for a brand through the brand community
To compare and evaluate products or services
To get more information about a product or service before making a purchasing decision
To give feedback about a product or service
To get support from peers about a product or service
To solicit, or offer, suggestions for the development of a new product or service, or for the improvement of an existing one
To help other customers by answering their questions, in order to demonstrate expertise
To exchange knowledge with like-minded peers, in order to improve the use of a product or service
To get help from others

Source: Gartner (August 2016)

Customers' objectives can often be linked to a business unit's "call to action" to increase engagement with customers. Table 2 relates customers' common reasons for community engagement with the business units most likely to be interested in those reasons.

Table 2. Business Units Most Likely to Show Interest in Common Objectives of Customers Engaging With Communities

Customer Objective	Most Interested Business Unit(s)
To register as a customer for a brand through the brand community	Marketing
To compare and evaluate products or services	Digital commerce
To get more information about a specific product or service before making a purchasing decision	Digital commerce
To give feedback about a product or service	Digital commerce
To get support from peers about a product or service	Customer service
To solicit, or offer, suggestions for the development of a new product or service, or for the improvement of an existing one	Marketing, customer service
To help other customers on the community by answering their questions, in order to demonstrate expertise	Customer service
To exchange knowledge with like-minded peers, in order to improve the use of a product or service	Marketing, customer service
To get help from others	Customer service

Source: Gartner (August 2016)

By identifying how customers' objectives align with business units' interests, organizations can determine which customer objectives they are best able to support through their community strategy.

Identify Your Organization's Reasons for Encouraging Customers to Engage With Communities

Just as customers have specific objectives for engaging with communities, organizations have specific objectives for investing in communities. Table 3 outlines these objectives.

Table 3. Organizations' Objectives for Encouraging Customer Engagement on Communities

Organizational Objective
To generate new ideas and identify insights for product or service development, in order to improve future product or service design and manufacture
To enable peer-to-peer customer support, in order to lower the cost of providing service
To solicit product reviews and ratings, in order to improve fixes to existing products and improve future product or service design and manufacture
To activate advocates for live peer-to-peer customer support, in order to generate more referrals and reduce marketing expenditure
To attract more potential customers and therefore increase sales leads

Source: Gartner (August 2016)

As Table 4 shows, these organizational objectives frequently align with customers' objectives. These points of alignment are where organizations can derive the most business value.

Table 4. Alignment of Customers' Objectives With Organizations' Objectives

Organizational Objective	Customer Objective	Aligned Business Unit(s)	Sample Business Value
To generate new ideas and identify insights for product or service development	To solicit, or offer, suggestions for the development of a new product or service, or for the improvement of an existing one	Marketing, customer service	Generation of new revenue streams
To enable peer-to-peer customer support	To help other customers by answering their questions, in order to demonstrate expertise	Customer service	Deflection of support calls, leading to savings on support costs
To solicit product reviews and ratings	To give feedback about a product or service	Digital commerce	Increased conversions, improved brand awareness, greater transparency and more trust
To activate advocates for live peer-to-peer customer support	To register as a customer for a brand through the brand community	Marketing	Increased advocacy, leading to deflection of support calls and savings on support costs
To attract more potential customers and therefore increase sales leads	To get more information about a product or service before making a purchasing decision	Marketing, sales	Generation of revenue

Source: Gartner (August 2016)

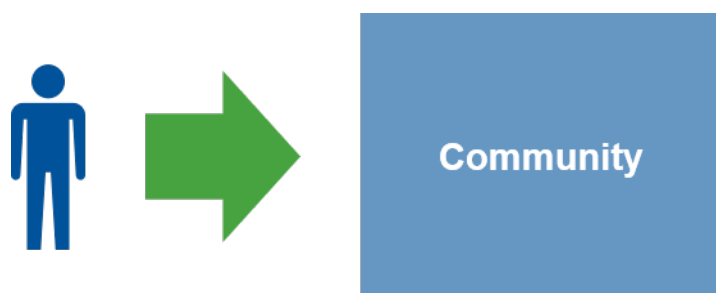
Once IT leaders have identified the complementary customer and organizational objectives, they must determine where communities fit into their overall customer engagement plan.

The decision whether to use communities as destination or facilitators will depend on what objectives an organization wants to achieve and on what use cases it wishes to support.

Position Communities as Destinations for Social Customer Engagement If Your Strategy Focuses on Peer-to-Peer Customer Support or Idea Generation

As a destination, a community is the endpoint in a customer's journey to engage and/or transact with your organization (see "[How to Determine the Role of Social Media in Your Customer's Journey](#)"). In this case, your organization enables business transactions to happen within the community, rather than referring customers to a different site to receive support or make a purchase. Figure 1 illustrates this approach.

Figure 1. External Peer-to-Peer Community as Destination



Source: Gartner (August 2016)

This "destination strategy" is best-suited to organizations wanting to enable peer-to-peer customer support or idea generation.

In the case of enabling peer-to-peer support, customers can go directly to the community, or they can be directed there by a search engine or a website. Once in the community, customers can ask each other questions and receive answers without leaving the community environment. Equally, organizations could benefit by using the community's customer-developed content as a resource for developing new knowledge articles or identifying customers' "pain points."

In the case of idea generation, customers can also go directly to the community or be directed there by a search engine or a website. Once there, customers can create new idea threads or work with ideas created by their peers, in order to improve them or voice approval. Equally, organizations could benefit from giving their marketing and product development teams community access in order to respond to customers and act on new ideas that could create new revenue streams.

Position Communities as Facilitators to Guide Customers to Your Web Pages or Customer Service Representatives, So That Transactions Can Be Recorded in Your CRM System

In this case, communities facilitate customer journeys, rather than serve as final destinations. Figure 2 illustrates this approach.

Figure 2. External Peer-to-Peer Community as Facilitator



Source: Gartner (August 2016)

For peer-to-peer support, customers are guided by the community to customer service representatives or dedicated web pages where specific business transactions can be captured.

Many organizations prefer a facilitation strategy for the exchange of private information such as payment details or account history. This approach also enables a larger list of organizational reasons for customer engagement to be met and more use cases to be supported.

By using communities as facilitators organizations can go beyond the use cases of peer-to-peer support and idea generation. They can also guide customers to customer service representatives and websites, to enable the recording of all important business transactions in a CRM system. This supports use cases that can directly increase revenue. For example, customers can be directed to a brand's website, where they can buy products or services.

Organizations considering a facilitation strategy should provide a seamless multichannel experience to their customers. The customer journey from community to website and customer service representative should be captured effectively. This will require IT leaders supporting a customer community strategy to work closely with their data management colleagues to ensure that a "360 degree" view of the customer is captured in a multichannel environment.

Conclusion

Organizations deciding on a customer community engagement strategy should evaluate whether to use communities as destinations in, or as facilitators of, customer journeys. The choice should be based on detailed evaluation of customers' reasons for joining communities and the organization's reasons for encouraging community engagement.

In a destination strategy, a community serves as the endpoint of the customer journey and chiefly enables peer-to-peer support and idea generation.

A facilitation strategy helps the customer cross engagement channels to properties such as websites or to customer service representatives, where a number of use cases can be supported. This approach can also enable an organization to generate new revenue streams and foster customer advocacy.

IT leaders supporting customer community engagement should work closely with marketing, sales, customer service and digital commerce stakeholders to ensure that communities, whether designed as destinations or facilitators, fulfill their promise of providing business value and superior experiences throughout the customer journey.

Gartner Recommended Reading

Some documents may not be available as part of your current Gartner subscription.

"The Five Stages of Social Media Adoption for CRM"

"Seven Steps to Establish a Social Media Strategy for CRM"

"How to Determine the Role of Social Media in Your Customer's Journey"

"Technology Overview for External Community Software for CRM"

GARTNER HEADQUARTERS**Corporate Headquarters**

56 Top Gallant Road
Stamford, CT 06902-7700
USA
+1 203 964 0096

Regional Headquarters

AUSTRALIA
BRAZIL
JAPAN
UNITED KINGDOM

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