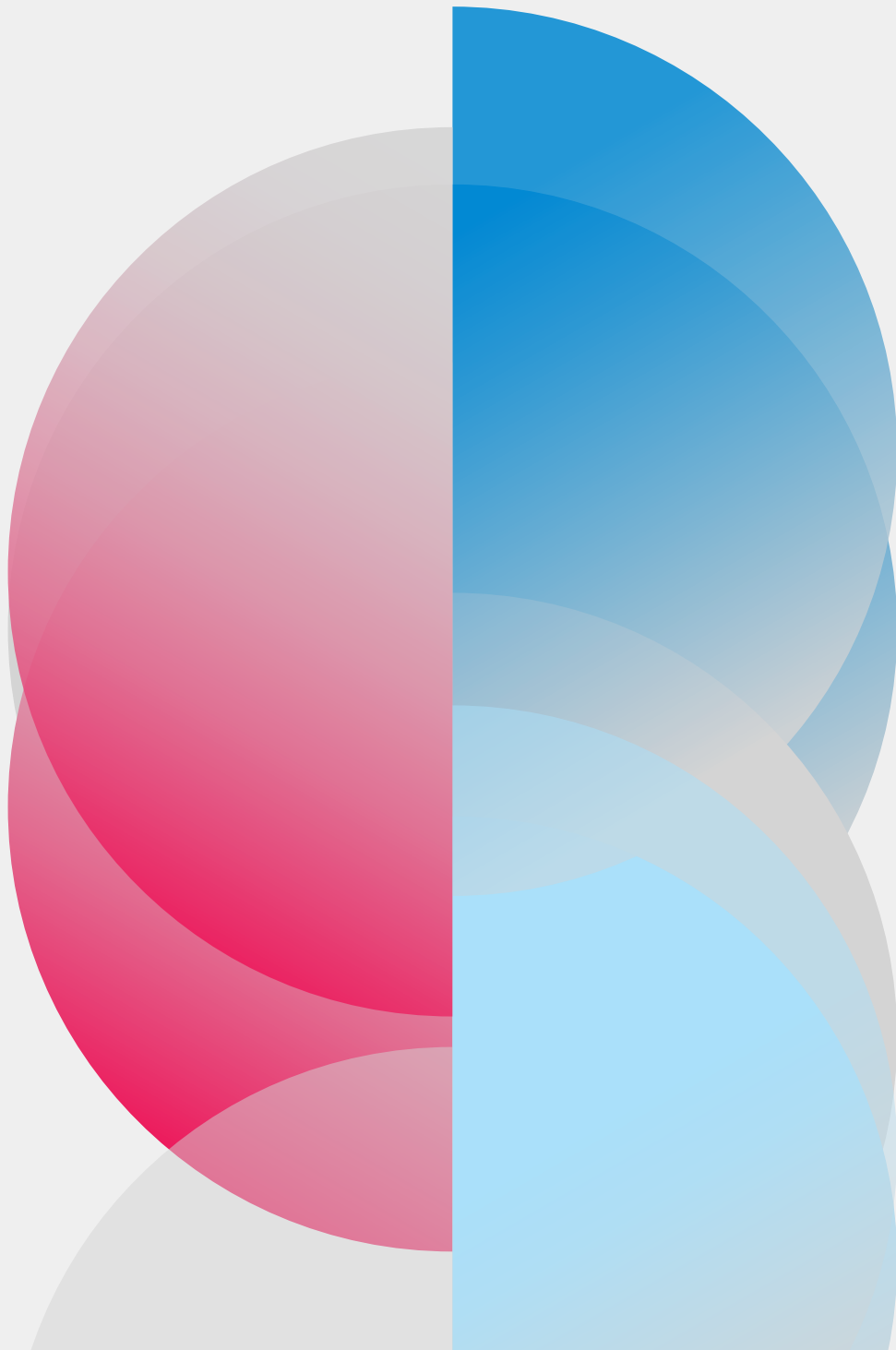


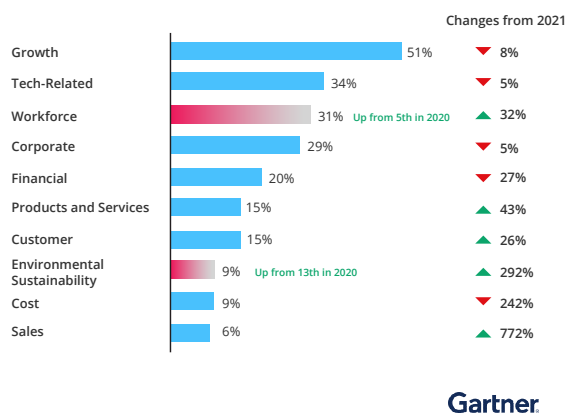
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Community Supports Top Enterprise Priorities



Community Supports Top Enterprise Priorities

Figure 1.



Community Supports Top Enterprise Priorities

Due to several competing strategic priorities, enterprise organizations must make difficult decisions regarding where to allocate budget and resources, and assess which areas should be invested in.

In post-pandemic times, balancing strategy and priorities is even more important than ever.

Although priorities range from one enterprise to another, a survey conducted by Gartner in 2022 identifies the most common priorities for enterprise organizations. Figure 1 illustrates the top priorities identified by enterprise executives.

At Higher Logic, we understand that there is no catchall solution to address every priority in an organization, however we've identified three key priorities (Figure 2) that can be simplified with an online community.

Figure 2.

Priority	Priority Summary	How Community Can Solve
1	Growth	Find out More Here
2	Tech-Related (Digitalization)	Find out More Here
3	Customer	Find out More Here

Investing in growth is the top priority for enterprise CEOs; however, growth is impossible without improving technologies that both support the business, and the customer experience can directly relate to business growth.

It's clear that the companies that put growth, digitalization, and the customer at the forefront of their strategy will come out on top.

The volume of Gartner interactions regarding online customer communities from technology and service providers — which still make up the bulk of the demand for these platforms — jumped almost 160% from 2019 through 2020.

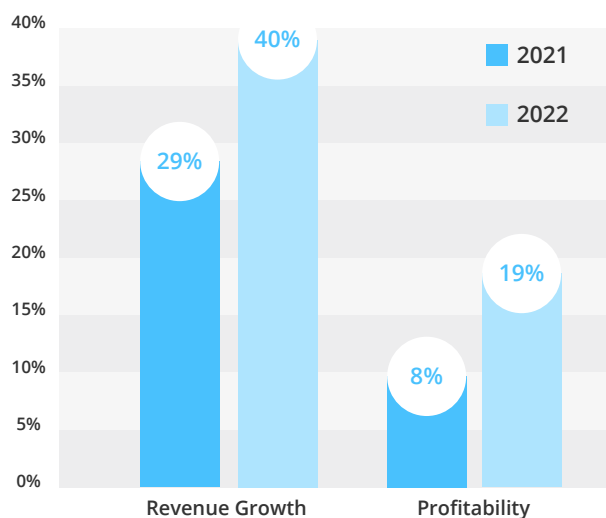
Three Key Enterprise Priorities

Priority 1: Growth

Although it saw a slight drop in importance from the previous year (according to the survey), growth remains the most-often cited priority for surveyed CEOs.

Figure 3.

What Business Outcomes are Impacted by the Community?



Despite the pandemic and post-pandemic global crises, most enterprise organizations are focused on driving growth.

Business growth can refer to increased revenue or profitability or the minimization of operating costs.

The question, however, is how do enterprise organizations maintain continuous growth despite economic or market challenges?

According to the [Community Roundtable's most recent report](#), revenue growth and profitability are the most reported benefits of an online community.

Online communities have become integral — not optional — especially for solutions that rely on subscription-based revenue.

Priority 2: Digitalization

It is projected that digital investments are going to remain consistent going into the coming year. Nearly 80% of CFOs plan to increase or maintain digital investments through 2023.2

Technology-related opportunities such as digitalization were the second most important priority for CEOs over the coming 12 months. With greater investments in digital technologies, companies can significantly reduce the cost of doing business while increasing efficiencies that promote growth.

Building on the existing technology stack within a company is not always the answer – but ensuring the tech stack in place is efficient and valuable is crucial. Online communities have become integral3 (to the tech stack)— not optional — especially for solutions that rely on subscription-based revenue.

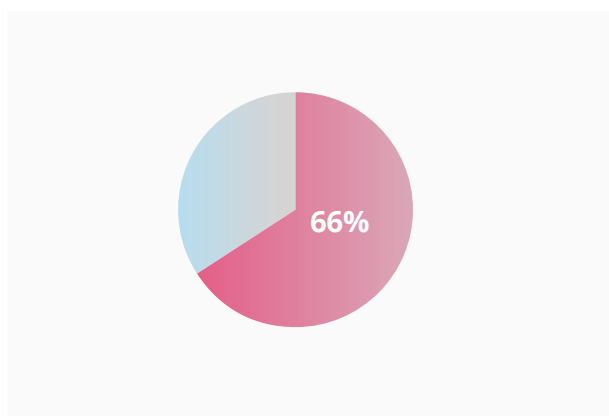
“Leading digital companies are 3x more likely to achieve above-industry revenue and margin growth.”

[- Alexander Bant Chief of Research, Gartner Finance Practice](#)

Priority 3: Customer-Centricity

Customer-centricity is an exhaustive term for companies who put time and effort into understanding, convening with, and engaging their customers. It's a strategy that requires consistent and intensive cross-company alignment. Companies that place importance on customer-centricity will move ahead in their markets.

Up 26% from the previous year's survey, CEOs are placing high emphasis on the importance of the customer and ensuring they provide them value.



According to HubSpot, 66% of customers expect companies to understand their needs and customer-centric companies are 60% more profitable than companies that aren't.

How Community Addresses These Priorities:



How Community Addresses These Priorities:

It is clear that habits, trends and expectations that formed during the pandemic, such as self-service, more convenience, and better customer experiences are not going away any time soon. Organizations that invested early in online communities are already seeing optimized results.

Let's break down how a community can solve for both (1) digitalization and (2) the customer; both of which will ultimately drive growth.

1. Digitalization:

The social distancing and work-from-home restrictions of the Covid-19 pandemic have made lasting changes for both organizations and customers alike. Because of these restrictions, greater emphasis was placed on providing a robust, top-tier digital experience. However, even though the pandemic has subsided, customers have come to

expect these experiences.

It is crucial that organizations realize the value of digital investment and continue to meet their customers' expectations by retaining or increasing investments.

“Digitalization should be used to build relationships . . . and focus on relationship growth rather than bottom lines. It won't necessarily cut costs, but it should increase net revenue and retention rates.”

Community Enables Scalability (One-to-Many Services) Without Jeopardizing the Human Touch:

Many companies struggle with how to scale their customer success teams to provide compelling service across their entire customer base.

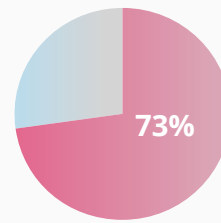
Though one-to-many approaches can sometimes feel impersonal, utilizing community can help address the scale issue without removing the human touch desired by most customers.

By utilizing community, organizations can do more with less, while at the same time providing great value to customers. The next section provides a concrete example of how community helps accomplish this.

Community is Convenient and Allows for Self-Service

Enterprise organizations are already expected to provide self-support to their customers, but on average, buyers must engage with companies on [13 different channels](#), most of which are disconnected.

The customer journey no longer starts with a brand. In fact, Google is the preferred channel for 73% of US adults to start their journey for support.



Customers want convenience and that means being able to start their journey for answers however they choose.

According to the [Customer Perceptions eBook](#), 81% of customers agreed that online community allows them to get help with customer support issues when and where they need it.

Because many online community platforms like Higher Logic Vanilla can be opened to the internet, customers can immediately find support answers by simply searching on their preferred search engine.

By creating a dedicated knowledge base and customer space through an online community, organizations can exponentially improve SEO and increase visibility across search engine results pages (SERPs).



TSIA CASE STUDY

Within 6 months of the launch of their community, TSIA had 130,000 page views. After the Pandemic hit, TSIA was struggling to offer convenience to their members: “We have some of the largest companies in the world . . . that are using [the community for] asking questions, getting answers, then telling their leadership team that they’re getting answers they need. It’s really helping to support the type of Q&A guidance that we were looking to provide to our members.”

2. Customer-Centricity

Community can help build a more customer-centric organization by improving customer experience and boosting customer engagement.

Customer-centricity has been proven to improve a company’s profitability. In fact, [customer-centric companies are 60% more profitable](#) than companies who do not place emphasis on the customer.

Improve Customer Experience

Boosting customer experience and service is critical to building growth for an organization. When organizations deliver excellent service and support, customers walk away with a positive experience. As stated in the previous section, community helps customers more easily find answers to their questions and see value from the solutions they purchased.

88% of customers say the experience a company provides is as important as its products or services — the highest it’s ever been.



CASE STUDY

Qualtrics XM was able to leverage their enterprise community to deliver fast and efficient customer support to their millions of members. The result? [Their customer satisfaction rose 1000%.](#)

Boost Customer Engagement & Loyalty

Customer engagement offers immense value to enterprise organizations, as engaged customers will advocate for the brand and recommend it to their peers. Additionally, engaged customers are proven to boost upsells and product/ service expansions.

Highly engaged customers will buy 90% more often and spend 60% more per transaction.

Community can help boost engagement with a centralized location where customers can share ideas, discuss the product, and participate in forum events.

According to the [State of Community Management 2022](#), the three most reported community-driven business outcomes were:

1. Customer loyalty / retention
2. Brand awareness
3. Product usage

Community encourages the type of customer behaviors that drive business success such as acts of advocacy, referrals, and reviews. This has a significant impact on whether, and how often, customers share their expertise in the community. This is

the foundation for innovation because it impacts motivation, engagement, productivity, and creativity.



CASE STUDY

Kings enterprise community doubled their engagement levels, leading to a **145% increase** in member posts and a **100% increase** in super user contributions.

Organizations are more likely to retain their customers if they see value and feel heard. [In a recent study](#) Higher Logic conducted, more than two-thirds of our survey respondents claim that online community breeds brand loyalty.

Within the same survey, 69% of customers surveyed feel that a dedicated space where a brand acknowledges and responds to their ideas, problems, and general conclusions improves their loyalty.

It's not only cheaper to retain existing customers than acquiring new customers, but existing customers are a greater source of revenue. Compared to new customers, existing customers are [50% more likely to try new products](#) and spend 31% more.

Improving retention is the key to business growth: A 5% increase in retention can increase revenue by 25-95%.

Ensuring your customers feel loyal to you means they are much more likely to stick around, continuously growing and spending with you.

Learn more about how an enterprise company can use and benefit from a customer community in the full eBook available [here](#).

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