



RESPONDING ORGANIZATIONS (PARTIAL LIST)



SURVEY REPORT

Online Communities in Business: Past Progress, Future Directions



A new chapter

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Today’s online communities are surprisingly down-to-earth, especially those sponsored by businesses and other large organizations. But don’t be deceived—real changes are underway.

Chicago, January 1978: Two computer programmers decide that a snowstorm presents a good opportunity for some uninterrupted code-hacking. The result is arguably the first computer bulletin board, precursor to today’s diverse technologies for community and collaboration.

Twenty-five years later, millions of computer users around the world use those technologies every day to get work done. Customers help one another solve problems; geographically dispersed colleagues share ideas and work products; technical specialists find peers in other companies; organizations connect with prospective customers, partners, and employees.

Who makes these online groups run, and what are their perceptions about the state of online community? What are their technology plans, particularly with regard to the latest generation of collaborative technologies called “social software”? In fact, what does “online community” mean in 2004? Such questions inspired this survey. If you build or run online communities in business, you’ll want to know the answers. If you’re a consultant, software provider, or investor, you’ll be interested too.

This report embodies significant contributions from many hands, starting with the 135 people who took the time to respond to the survey. We are also grateful to Daniel Harrison (Consumer Reports), and Rob Cross (McIntire School of Commerce, the University of Virginia) for guidance on survey design; Elizabeth Doty (WorkLore), Lee LeFever (Common Craft), Chris Rizzuto (Harmonic Computing Corp), and Etienne Wenger (Independent Consultant), who piloted the survey questions; and Harry Collier (Infonortics) for survey hosting and promotion. Jerry Ash (Association of Knowledge Work), Stowe Boyd (Corante), Jim Cashel (Forum One Communications), Diane Le Moul (KnowledgeBoard), John Smith (Learning Alliances), and Nancy White (Full Circle Associates) helped extend our reach beyond our target group of 200 practitioners. Teddy Zmhral and Estee Solomon Gray (Congruity) generously assisted in analyzing social network data. Anabel Quan-Haase, Jennie Mae Thompson, Steve Cook (University of Western Ontario) assisted with analysis of free-text responses, and Lynne Bundesen (Isaiah Company) challenged us with her deep domain expertise and judicious editorial eye.

Socialtext kindly provided a wiki platform for the survey team to share documents and ideas. This platform is now open to anyone with thoughts or reactions to share about the survey:

<http://www.socialtext.net/online-communities-in-business>

To all who assisted, and to the readers of this report, we offer our thanks.

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Chapter 1

Introduction

Last year, one generation arrived and another passed. It was the best of times and the worst of times for online communities in business.

“We have learned that building and running virtual communities is not as easy as it may seem—there is always a big gap between promise and reality. Nevertheless, significant opportunities lie ahead for firms that are willing to make investments in this area. Both business and consumer applications are likely to prosper.” MANJIT YADAV, MAYS SCHOOL OF BUSINESS, TEXAS A&M UNIVERSITY

Survey Highlights and Background

Survey Highlights

In an online survey of online community practitioners conducted from February to May 2004, respondents told us:

- Participation in online communities is growing (82%)
- Technologies for online communities are continuing to improve (79%)
- Retention of community participants is not a significant problem (63%)

Despite these positive signs, some familiar problems persist:

- Most organizations can't measure return on investment (72%)
- Many people still don't understand what online community is (72%)
- The discipline of creating and managing communities is poorly defined (59%)

On the technology front, communities aimed at customers continue to expand their platforms, with weblogs showing dramatic growth in the one-year timeframe. By contrast, employee communities are consolidating to a smaller set of tools; only wireless/mobile, teamrooms, and expertise location are expected to grow over the next five years. In their free-text comments, respondents confirm that the field of online communities is in a period of transition, with the rise of networks both invigorating and challenging current efforts.

Background

The 25th anniversary of the computer bulletin board didn't make headlines last year, but plenty of other online-community-related items did. Pioneers among Internet communities continued their slow fade to oblivion, in the case of Prodigy leaving a reported 16,000 members behind. In October, Microsoft eliminated chat from its MSN network. In the same month, consumer online community suffered a symbolic loss as the AOL name was removed from AOLTime Warner.

At the same time, a new generation of collaborative technologies, collectively known as "social software," began to find a mass audience. Articles in the business press hailed online social networking's potential impact on our business and social lives. Social software companies not only found users: they also found funding, garnering venture capital investments reminiscent of the dot-com boom.

Survey Highlights and Background

A brief history of online communities, 1968–2004

2002-03	<i>"LINKED"</i>	SOCIAL NETWORKING [FRIENDSTER, LINKEDIN, ETC.]	<i>"SMART MOBS"</i>
2000-01	B2B COMMUNITIES [CISCO, SAP, ETC.]	CAMERA PHONES	GOOGLE GROUPS
1998-99	<i>"COMMUNITIES OF PRACTICE"</i>	BLOGGER	<i>"THE CLUETRAIN MANIFESTO"</i> RSS
1996-97	INTRANETS	HOMESTEADERS [GEOCITIES, ETC.]	<i>"NET GAIN"</i> SIXDEGREES.COM
1994-95	COMMERCE COMMUNITIES [EBAY, AMAZON.COM, ETC.]		TEXT MESSAGING
1992-93	<i>"THE VIRTUAL COMMUNITY"</i>	COMMUNITIES ONLINE [BLACKSBURG, ETC.]	
1986-91	LOTUS NOTES	INTERNET RELAY CHAT	LISTSERV WEB CROSSING
1979-85	ONLINE SERVICES [COMPUSERVE, PRODIGY, AOL, THE WELL, MINITEL, ETC.]		
1978-79	BBSs	USENET NEWSGROUPS	MUDs
1973	FIRST E-MAIL MESSAGE	<i>"THE STRENGTH OF WEAK TIES"</i>	
1968	<i>ARPA PAPER PREDICTS EMERGENCE OF VIRTUAL COMMUNITIES</i>		

KEY: IDEAS TECHNOLOGIES INITIATIVES

To borrow from Charles Dickens, 2003 was the best of times, and it was the worst of times. Far from the headlines, however, thousands of companies and other large organizations were going about the business of converting the promise of collaborative technologies into reality. You'll see some of their names on the back of this report. They included high-tech giants as well as old-line manufacturers; professional service firms and large member organizations; media giants and educational institutions. A group of consultants and vendors supplied them. Academics and thinkers from several disciplines—marketing, economics, computer science—followed their progress. The work of these individuals and organizations goes largely unrecognized outside their own peer groups, and yet their influence reaches millions of users every day.

A Profile of Respondents

From February to May 2004, we conducted an online survey of people involved in, or deeply knowledgeable about, online community efforts in large organizations around the world. This survey was conducted in concert with the 7th *International Conference on Virtual Communities*, the largest and oldest annual gathering of its kind.

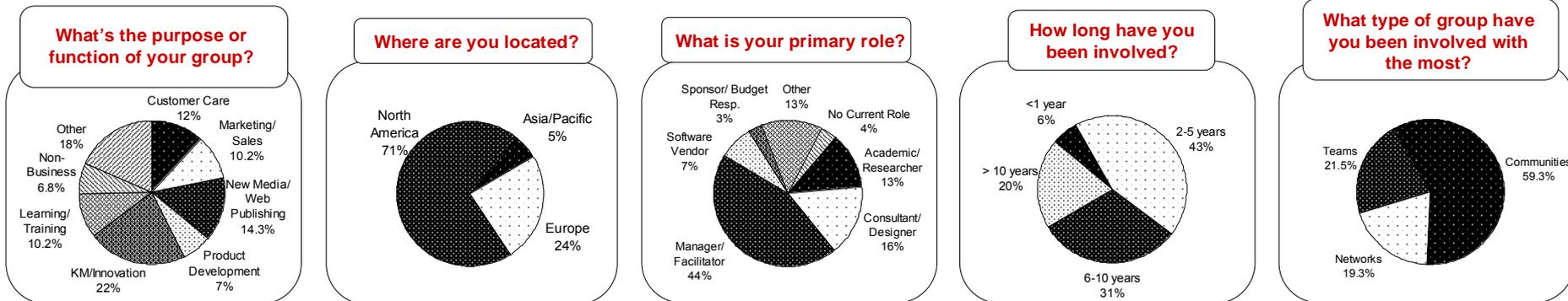
We started by compiling a target list of respondents based on our extensive work in this area over the past two decades. We focused on people who are responsible for planning and executing online community and collaboration efforts for large organizations. We then added others—vendors, consultants, sponsor/investors and academics—who have been closely involved with such efforts across a wide range of companies. We shared this list with a small number of industry-watchers who pay attention to “who’s doing what” with online communities, and asked them for their suggestions. Finally, we made the survey available to readers and participants in a number of online discussion forums devoted to online community and collaboration. We received a total of 135 usable responses to our survey.

Before asking about current plans and perceptions, we invited respondents to provide some basic information about themselves. As shown in the charts below,

A Profile of Respondents

the survey group represented a diverse set of business-sponsored community efforts, ranging from learning/training, to customer care, to marketing/sales, to new media/web publishing. Although most respondents were located in North America, a significant number resided in other countries, including the United Kingdom, Germany, France, Japan, and Malaysia. Data on years of involvement with communities reflected our targeting toward people with deep, practical experience in the area—over half of our respondents have been involved with virtual groups for more than 6 years. Recognizing that shifts may be occurring in how respondents define their efforts, we also asked which type of virtual group they had been involved with the most: team, network, or community. (Later, we invited them to provide their own definitions for these terms. Some of their reflections are presented in Chapter 5.)

In the remainder of this report, we present our findings. Chapter 2 presents the five strategies for managing virtual groups which emerged from respondents’ free-text comments. In Chapter 3, we present data on which technologies respondents use in their virtual groups today, and what they plan to use over the next five years. Chapter 4, *Influencers*, presents the results of our question, who do you look to as a source of inspiration or good ideas? Finally, in Chapter 5 we present some of the thoughts respondents shared in free-text areas of the survey.



Chapter 2

Strategies

Although all virtual groups are unique, some imperatives are universal. Among them is the need to recognize that the online world and the offline world are merging.

“Virtual’ is no longer a useful modifier for the term community, now that the internet has become a real part of everyday life.”

ESTEE SOLOMON GRAY, CONGRUITY

Strategy No. 1: Think Local and Real

Where do we stand with online communities, and where are we going? More importantly, what should organizations be focusing on as they deploy community and collaborative technology?

Although the goals of our respondents with respect to their individual communities were incredibly diverse, there is remarkable consistency in their perceptions about the opportunities and challenges that exist for online communities today. In this section, we present five common strategies that emerged in respondents’ free-text comments. In the charts in this section, we also share respondents’ views of positive or negative trends with regard to participation, retention, acceptance among executives, and other key issues related to communities in business.

Strategy No. 1: Think Local and Real

Five years ago, it was common to hear people puzzling over the relative failure of most efforts to bring people together online who also shared a geographical location. The need seemed obvious—why the difficulty?

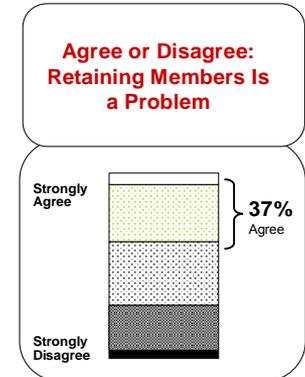
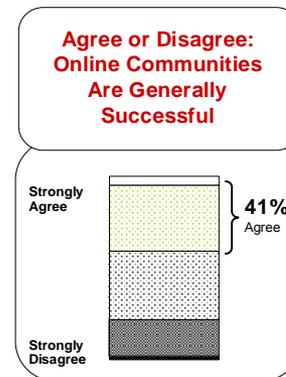
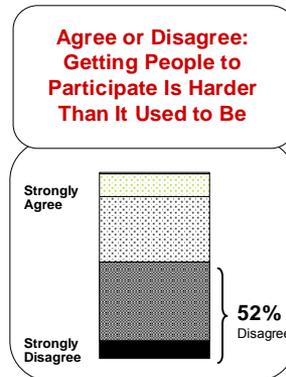
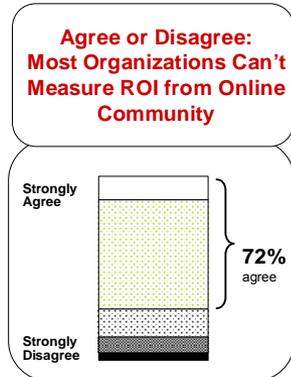
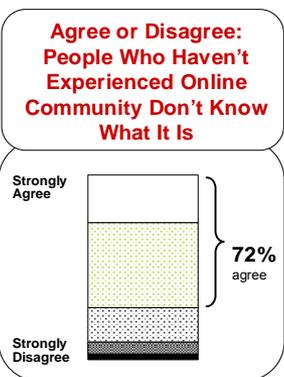
It now appears, with the success of location-oriented applications like Meetup.com, that we’ve passed an inflection point that permits virtual groups to be successful. What’s driving this development? We can only speculate, but it’s likely that we’re seeing the impact of a growing comfort and ease with online interaction, which combined with continued growth in connectivity makes such efforts finally possible. The implications for community creators are profound: participants now expect integration with the offline world. But participants are challenged too, as one of our respondents, Nancy White, reminded us: “We are asked now to be citizens of our close nuclear communities, far-flung teams and dispersed, diffuse networks. This raises fascinating questions about identities—how we manifest our different layers and to whom and how. I see a lot of identity fragmentation, which can be really interesting, useful, confusing and confounding all at once.”

Strategy No. 2: Get Networking

Strategy No. 2: Get Networking

Without a doubt, the biggest story in online interaction today is “social software,” which comprises social networking tools such as Orkut, Friendster, and LinkedIn; weblog tools such as Blogger and Moveable Type; and wiki collaborative page-editing tools such as Socialtext’s Kwikspace. Like discussion forums and other more traditional community tools, social software helps fulfill the promise of the “two-way web”—an Internet where everyone can contribute, rather than another broadcast medium. Yet they are also markedly different from traditional tools, and their impact on community design and management is likely to be profound.

Will social software supplement traditional community tools or replace them? Experience to date tells us very little. Weblogs are becoming a common feature of online communities, but they are usually limited to community experts or leaders. Social networking tools in business remain in the demonstration phase, mostly focused on the sales force. Can social networking tools move beyond the “big three” objectives of finding a job, finding a date, or making a sale, and if so, to where? It’s a trend every community practitioner should understand and follow.



Strategy No. 3: Empower the People

Strategy No. 3: Empower the People

Increasingly, the call to community is not “come and join our community” but rather “come and create your own community.” Today’s virtual groups are often “bottom-up” rather than “top-down”; the fashionable term is “emergent.” For examples, think about the ego-network model of LinkedIn, the self-forming groups on Meetup.com, the discussion groups in Yahoo Groups. Business-oriented communities, by contrast, are still relatively top-down, or “non-emergent.” The challenges of this new paradigm are obvious: how does an organization manage a community that is self-organizing? How does it make sure such groups support the business strategy? How do you get the benefits of emergence without losing structure, focus, and quality?

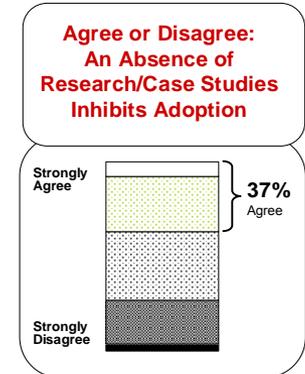
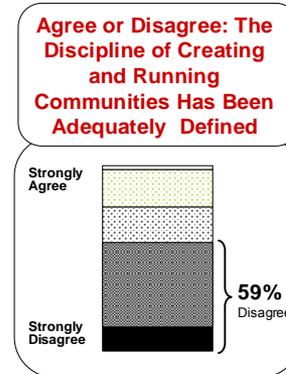
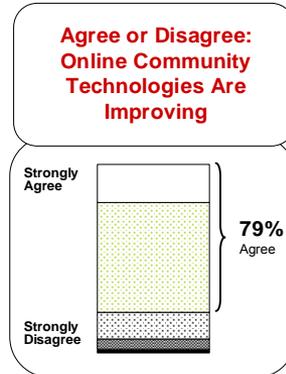
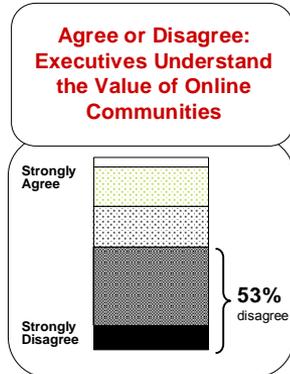
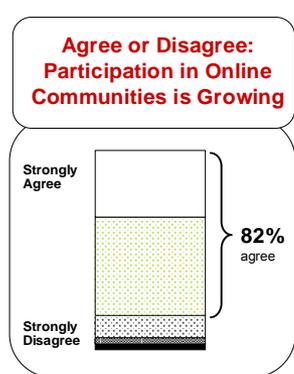
A larger trend underlies this one. In a world where connectivity is more and more pervasive, “loosely tied” communities—where community composition, activities, interactions, etc., may be only partially visible to members or sponsors—may become the norm. Conceiving of online groups as “networks”—that is, larger, more distributed, with a looser set of shared goals or understandings—may better prepare us for developing and managing online groups in the years to come.

Strategy No. 4: Raise the Bar on Data

Strategy No. 4: Raise the Bar on Data

For many years, companies were so busy creating communities that basic management disciplines like measurement simply fell by the wayside. Makers of community and collaboration technologies didn't help, since they placed most of their focus on user-facing functionality and little on the administrative features that enable effective community monitoring and management.

There are two ways organizations use community data: for capturing insights or knowledge from participants, and for calculating return on investment (ROI) on community efforts. Today, relatively little rigor is applied to gathering and analyzing community data. Perhaps more troubling is that people who need that data in organizations—marketing, customer care, learning/training, product development—often don't receive it, or don't understand what to do with it. Regarding return on investment, respondents suggest much work remains to be done. As respondent Josh Sinel noted, community managers "must go beyond sideways calculations attempting to uncover a 'latent ROI' . . . we need to create and manage new and more basic and effective value propositions."



Strategy No. 5: Advocate and Educate

Strategy No. 5: Advocate and Educate

It's perhaps a truism by now, but respondent Frank Leistner reminds us, "Well educated leadership and executive sponsorship are key."

Community managers are often in the challenging position of having to mediate between the members of a community—whether customers, employees, or others—and the organization that hosts the community. Communities need to provide value on both sides of the equation. It is rather sobering to consider our statistical findings in this regard: 53% say executives don't understand the value, 72% say most companies can't measure the value, and, even among community specialists, only a minority (41%) say communities are generally successful.

Contrast this with another reality—that telecommuting, outsourcing, online commerce, and other key trends are increasingly making all aspects of business resemble online communities. It has never been more important to help business managers understand the principles by which online groups operate successfully.

Chapter 3 Technologies

Technologies used by online communities are changing, but the changes vary greatly depending on the purpose and function of the community.

“There seems to be an inverse correlation between how much attention a technology receives and how impactful it is. In my circles email, instant messaging and email lists are king, but receive only a fraction of the attention of wikis or social networks.” JIM CASHEL, *FORUM ONE COMMUNICATIONS*

“Technology, at the same time, both enables and is the biggest impediment to virtual communities. Ubiquitous and reliable technologies are to virtual communities what peace and prosperity are to physical communities.” ERIC OLINGER, AKIVA

Seventeen Technologies

“It’s not about the technology”—and yet everyone knows that technologies can have a decisive effect on the success or failure of any virtual group. We asked our respondents to tell us which of the following technologies they use today, and which they plan to use one year and five years from now (“Not likely to use” and “Don’t know” were also among the options provided.)

Chat—Real-time text-based communication for groups.

Discussion forums—Web-based threaded discussion (bulletin boards).

Email discussion lists—Email lists set up so that any email sent to the list address is automatically sent to all subscribers.

Expertise location—Search and collaboration software that helps find who-knows-what in an organization, and often facilitates question-and-answer exchanges.

FOAF (Friend-of-a-Friend)—Standards-based personal profiling systems.

Instant messaging—Real-time text-based communication via instant messaging networks.

Newsgroups—Platform for threaded discussion predating the web.

RSS (Really Simple Syndication)—XML-based content syndication.

Social networking—Software that enables users to establish connections via the friend-of-a-friend principle.

Teamrooms—A software platform designed for groups of people working together on a project, and typically including calendar, file storage, member directory, threaded discussion, and document version control.

Teleconferencing—Real-time voice communication over Internet or telephone.

Text messaging—Real-time text-based communication using cell phones and other mobile devices.

Webcasts—Real-time web-based broadcasting of audio and video.

Web conferencing—Real-time web-based viewing of presentation slides with audio via Internet or telephone.

Weblogs—Personal or collaborative webpage publishing in journal form.

Wikis—Collaborative webpage publishing and file sharing.

Wireless/mobile—Group communication via wireless or mobile devices.

Trends: Customer Communities

As noted previously, respondents represented eight different segments in terms of the function or purpose of their community. However, underlying these eight segments is a simpler division: some of these communities are aimed at customers or other parties *external* to the organization; others are aimed at employees or other people *internal* to an organization. This division greatly affects technology choices and options: therefore we present the results separately here.

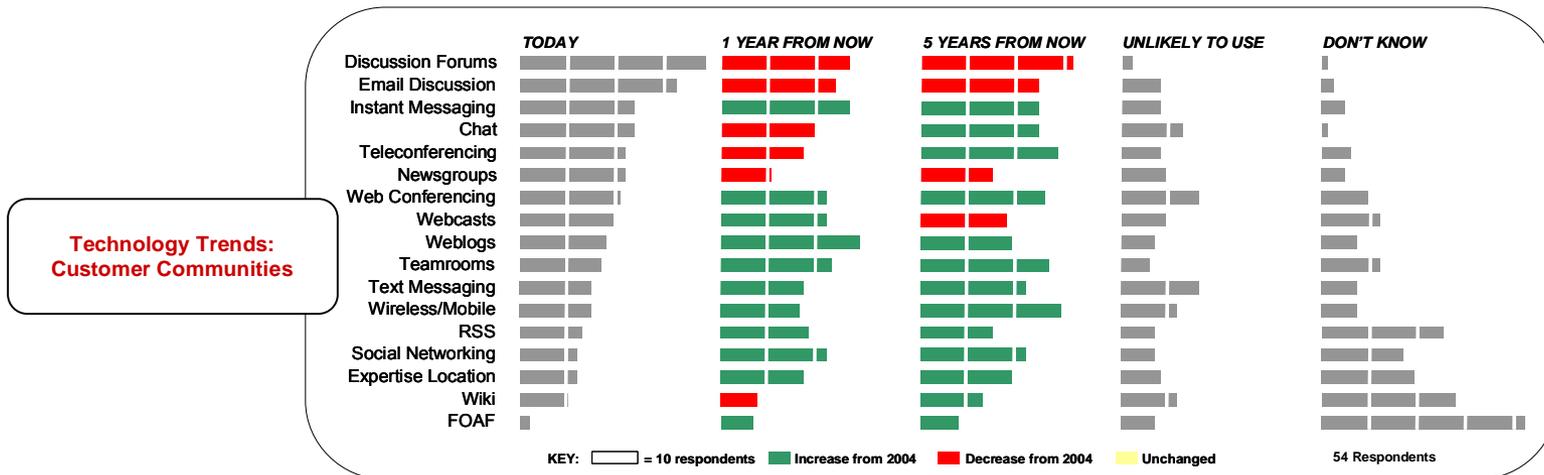
The figure below shows the results for customer communities (a group composed of the customer care, marketing/sales, and new media/web publishing segments). Technologies are arranged based on reported frequency of use by this group today: from most-used (top) to least-used (bottom). Not surprisingly, the three technologies showing declines both one year out and five years out are the oldest technologies on our list: discussion forums, email discussion lists, and newsgroups. (Note, however, that forums still remain the most widely used technology for this group five years out, and email lists also.) In terms of growth, in the one-year timeframe, teamrooms, weblogs, and social networking show the biggest expected gains. Remarkably, weblogs even overtake discussion forums in that period.

Trends: Customer Communities

The expected growth of weblogs and social networking should come as no surprise, given the attention those technologies have received in recent years. But why teamrooms? One possible answer is that it's a consequence of the growing emphasis on empowering users to create their own communities, an application for which teamrooms are expressly designed.

Other technologies are expected to show less dramatic gains, but gains nonetheless. Instant messaging, text messaging, wireless/mobile, and web conferencing show positive growth in both periods. Even the least-understood technologies (highest "don't know" scores)—RSS, Wiki, and FOAF—are expected to grow in usage in the five-year period, albeit from a smaller base.

What explains the counterintuitive patterns in which some technologies appear to lose ground in the one-year period, but gain over five years? One answer is that even communities similar in purpose and lifespan can be on different trajectories with regard to specific technologies—that is, some communities are planning to retire technologies that their counterparts still have in future plans.



Trends: Employee Communities

What's happening with technologies in employee communities? To find out, we composed a group consisting of the KM/innovation and learning/training segments of our respondents.

In contrast to customer communities, where the range of technologies in use continues to expand, respondents from employee communities expect to consolidate around a smaller set of applications. Among the technologies expected to lose ground over the coming years are discussion forums, email discussion lists, instant messaging, chat, teleconferencing, newsgroups, web conferencing, text messaging, and (if only marginally) social networking. (Keep in mind our respondents focused on use for *communities* only: some of these technologies such as web conferencing, for example, may be expected to grow if we looked at corporate use overall.)

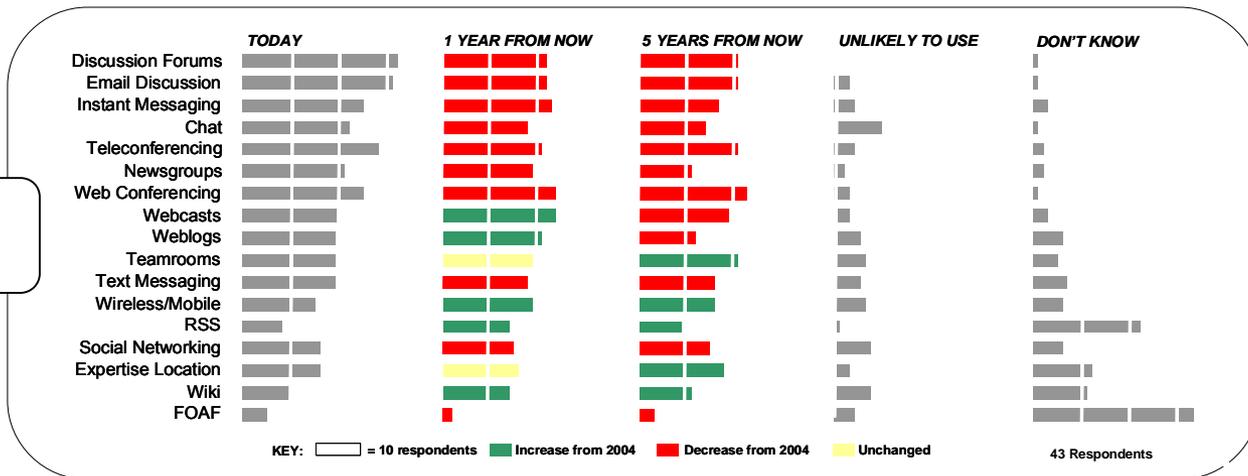
In terms of growth, only teamrooms, wireless/mobile, RSS, expertise location, and wikis are expected to maintain or gain ground in both periods against 2004 usage levels. Webcasts and weblogs are expected to gain in the one-year period only.

Trends: Employee Communities

One year out, the hierarchy of applications in employee communities changes fairly dramatically. Whereas today the top technologies are forums and lists, one year from now our employee-group respondents say they will use web conferencing and webcasts more than any other tools. Five years out, webconferencing is expected to stay at the top of the heap, followed by teamrooms, teleconferencing, discussion forums, and email lists.

Once again, we didn't gather information on *why* these technology shifts are taking place, but we can make some informed guesses. First, improved bandwidth is making webcasts and webconferencing easier and more accessible to a distributed workforce. Second, people who support employee communities, like their counterparts in the customer space, see an increasing need to give people tools like teamrooms to develop their own communities, reserving top-down approaches for communities that are larger and more strategic. Perhaps more importantly, large software providers like Microsoft and IBM are including teamroom applications in their basic portal packages, sometimes for free.

**Technology Trends:
Employee Communities**



Chapter 4 Influencers

We asked: who do you look to as an inspiring example or a good source of advice regarding virtual communities? Some answers surprised us.

“I don't think there are any true ‘experts,’ which is part of the attraction to virtual communities.” WILLIAM LESSARD, AUTHOR OF *NETSLAVES*

Most-Cited Influencers

With assistance from Rob Cross, Assistant Professor at the McIntire School of Commerce at the University of Virginia and author of *The Hidden Power of Social Networks: Understanding How Work Really Gets Done in Organizations* (2004), the following question was included in the survey:

Looking outside your organization, who do you look to as an inspiring example or a good source of advice regarding virtual communities?

(Your answers can include communities, organizations, or individuals. If you name an individual, please let us know organization and country. This question is optional.)

The results were many and intriguingly diverse. Our 135 respondents listed 136 unique influencers, 28 of which were mentioned more than once. The latter are listed below, ranked by number of mentions within each category. The complete list is provided on the following page.

Most-Cited Influencers (Ranked within Category)

INDIVIDUALS:

Howard Rheingold ♦ Nancy White

Jim Cashel ♦ Amy Jo Kim ♦ Etienne Wenger

David Gurteen ♦ Lisa Kimball ♦ Lee Lefever ♦ Hubert St. Onge ♦ Jonathan Spira

ORGANIZATIONS:

BBCi ♦ Harvard University ♦ IBM

COMMUNITIES/ NETWORKS:

Knowledgeboard

KM Cluster ♦ Yahoo Online Facilitation Group

AOIR ♦ Community Roundtable ♦ CPSquare ♦ eMint ♦ Friendster ♦ IBM IKO ♦ LinkedIn

OTHERS:

COP ♦ Multiplayer Games ♦ Online Community Report ♦ Open Source Movement ♦ None

Complete List of Influencers

COMMUNITIES/NETWORKS

AOIR <http://www.aoir.org>
Apache Jakarta Project <http://jakarta.apache.org>
Burning Man <http://www.burningman.com>
Community Roundtable
<http://www8.sap.com/community/int/private/roundtable>
Corante Many-to-Many <http://www.corante.com/many>
CPSquare <http://www.cpsquare.com>
eBay <http://www.ebay.com>
e-Mint <http://www.e-mint.org.uk>
Everquest <http://eqlive.station.sony.com>
Everything2 <http://www.everything2.com>
Evolt.org <http://www.evolt.org>
Friendster <http://www.friendster.com>
GE Support Central <http://supportcentral.ge.com> - internal only
Genova Group <http://www.genovagroup.com>
Howard Rheingold's Brainstorms
<http://www.rheingold.com/community.html>
IBM Institute for Knowledge-Based Organizations
<http://www.ibm.com>
Infonomia <http://www.infonomia.com>
iVillage <http://www.ivillage.com>
Java Community Process <http://www.jcp.org>
KM Cluster <http://www.kmcluster.com>
Knowledgeboard <http://www.knowledgeboard.com>
Kuro5hin <http://www.kuro5hin.org>
LinkedIn <http://www.linkedin.com>
Monster Networking <http://network.monster.com/>
Orkut <http://orkut.com>
TELECOM-CITIES <http://scout.wisc.edu/Archives/SPT-FullRecord.php?ResourceId=705>
Ultima Online <http://www.uo.com>
Yahoo Online Facilitation Group
<http://groups.yahoo.com/onlinefacilitation>

INDIVIDUALS

Jenny Ambrozek <http://www.sageway.com>
Nor Azian <http://www.perlis.uim.edu.my/inka/ajk.php>
Lynne Bundesen <http://ether.typepad.com/bundesen/>
Ken Cassar <http://www.nielsen-netratings.com/>
Tony Clear http://www.aut.ac.nz/cis/our_staff/tony_clear.shtml
Jim Cashel <http://www.forumone.com>
Joseph Cothrel <http://cothrel.typepad.com>
Joachim Doering
<http://www.entovation.com/leadmap/doering.htm>
Judith Donath <http://smg.media.mit.edu/people/Judith/>
Mike Dulworth <http://edanetworks.com/1678-170.html>
Ron Edwards <http://www.unilever.com>
Cliff Figallo <http://www.socialchemistry.com>
Marvin Freeman <http://www.decision-advantage.com>
David Gurteen <http://www.gurteen.com>
Shel Holtz <http://www.holtz.com>
Dale Hunter <http://www.zenerglobal.com/docs/team/dale-hunter.htm>
Jay R. Galbraith
http://www.marshall.usc.edu/web/CEO.cfm?doc_id=5041
Robin Good <http://www.kolabora.com>
Lee LeFever <http://www.commoncraft.com>
Amy Jo Kim <http://www.naima.com>
Lisa Kimball <http://www.groupjazz.com>
Jessica Lipnack
<http://www.netage.com/NetAge/People/J&J%20Resume.html>
John Maloney <http://www.kmcluster.org>
Chris Macrae <http://www.valuetrue.com>
Anne McKay <http://www.consumerreports.org>
Dr. Ann Majchrzak
http://www.marshall.usc.edu/web/IOM.cfm?doc_id=1783
Tom Malone <http://ccs.mit.edu/malone>
Martha Mazzevski
<http://www01.umd.ch/faculty/vitae/index.cfm?id=27665>
Dave Pollard <http://blogs.salon.com/0002007>
Howard Rheingold <http://www.rheingold.com>
George Por <http://www.community-intelligence.com/blogs/public>
Ned Ruete <http://www.iaf-world.org/about/facil/ReuteFac101.cfm>
Sandor Schuman <http://www.albany.edu/cpr/gf/Schuman.htm>
Clay Shirky <http://www.shirky.com>
John Smith <http://www.learningalliances.net>
Marc Smith <http://research.microsoft.com/~masmith>
Andy Snider <http://www.sniderassociates.com/default.htm>
Jonathan Spira <http://www.basex.com>
Hubert Saint-Onge <http://www.gurteen.com>
Pam Thomas <http://communityanswers.com>
Cynthia Typaldos <http://www.typaldos.com>
Gerrit Visser <http://gervis.net>
Eric Vogt <http://www.interclass.com>
Omar Wasow
<http://www.hbsaaa.org/conf2001/Biographies/confBioOmarWasow.htm>
Etienne Wenger <http://www.ewenger.com>
Nancy White <http://www.fullcirc.com>
Richard Saul Wurman <http://wurman.com/rsw>

Complete List of Influencers

ORGANIZATIONS

Aantares <http://www.aantares.com>
AOL <http://www.aol.com>
ARPANET
BBi <http://www.bbc.co.uk>
Blackboard <http://www.blackboard.com>
Buckman Laboratory <http://www.buckmanlabs.com>
Caprabo <http://www.caprabo.com>
Cisco Systems <http://www.cisco.com>
Coca-Cola Spain <http://www.cocaola.es>
e-Room/Documentum/EMC <http://www.emc.com>
FamilyEducation.com <http://www.familyeducation.com>
FidoNet <http://www.fidonet.org>
Google <http://www.google.com>
Harvard University <http://www.harvard.edu>
Hewlett-Packard <http://www.hp.com>
IBM <http://www.ibm.com>
Intel <http://www.intel.com>
Intranets.com <http://www.intranets.com>
Ludicorp <http://www.ludicorp.com>
Microsoft <http://www.microsoft.com>
Online Community Report
<http://www.onlinecommunityreport.com>
Novell <http://www.novell.com>
Participate Systems <http://www.participate.com>
Resource Center for Cyberculture Studies
<http://www.com.washington.edu/rccs>
Sageway LLC <http://www.sageway.com>
Spring Street Networks
<http://www.springstreetnetworks.com/spring.asp>
Tapestry Networks <http://www.tapestrynetworks.com>
VBulletin <http://www.vbulletin.com>
W3C <http://www.w3.org>
Yahoo Groups <http://groups.yahoo.com>
Zeroforum <http://www.rely.net/zeroforum.php>

OTHER

"Academic research - esp. TERC in Cambridge MA"
 "Certain academic communities"
 "Communities of practice"
 "Conferences on the topic"
 "Financial services - brokering, foreign exchange"
 "Forums"
 "I basically use the technology group within our own organization"
 "I don't think there are any true 'experts,' which is part of the attraction to virtual communities"
 "Independent film"
 "Intentional communities (medical support groups, Burning Man, ad hoc volunteer communities)"
 "IRC"
 "Knowledge magazines"
 "Multiplayer games"
 "My teenagers (how they play games, chat, build all at the same time - and do homework)"
 "My pals in S. Africa at U. Cape Town who make do with less and seem to accomplish a lot"
 "Networking with people who are involved and learning from them"
 "None"
 "Oil companies"
 "Other communities"
 "Other organizations"
 "Open source"
 "Pioneers"
 "Political grassroots organizers"
 "Several organizations in the KM space"
 "Sociologists"
 "The big ISPs"
 "The Web on the whole"
 "Various internationally active artistic organizations"
 "We certainly look at best practices that our two big competitors"
 "Whatever research I can find"

This is a complete list of the responses to our question, "Who do you look to as an inspiring example or a good source of advice on virtual communities?"

Browse these sites online at <http://www.socialtext.net/online-communities-in-business>

Influencers as a Network

Influencers as a Network

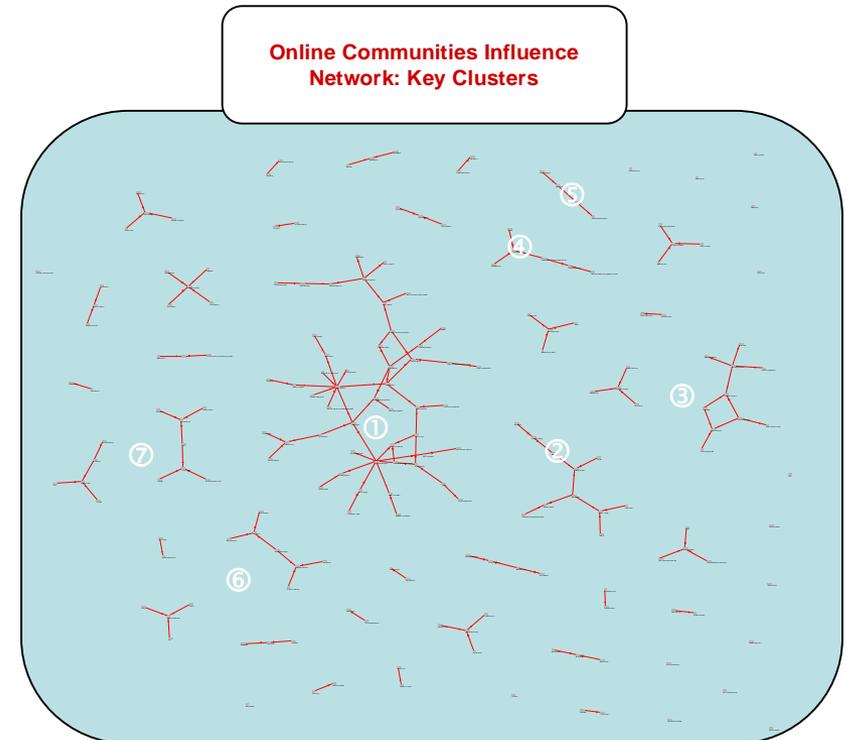
Of course, lists are not the only way, or even the best way, to look at influence in a global, distributed network consisting of many people doing different kinds of work. To dig a little deeper into the data, we asked Teddy Zmrhal of Congruity to load the data into InFlow, one of the increasingly popular tools for analyzing social networks both online and off. The chart at right provide a preliminary look at how social network analysis might reveal connections among the people, organizations, and communities that influence so much of the debate around online communities in business.

The nodes on the chart each represent either a respondent or someone identified by a respondent as an influencer. (The names are obscured to protect the identities of respondents.) As you can see, distinct clusters are evident. In the key, we provide a guide to the nature of some of the key clusters in the network. Please note that our focus in this diagram is on the clusters. The proximity of the clusters and their position on the diagram are not meaningful.

This chart differs from a typical social network analysis in one important way. Most social network analysis is based on bidirectional data. Our data was unidirectional; that is, respondents have told us who influences them, but influencers were not surveyed to learn who they believe they influence. Nevertheless, the clusters that emerge broaden our perspective on the network, particularly since it depicts indirect links that are not reflected in our calculation of most-cited influencers.

What does this chart tell us? For one thing, it suggests that the densest pattern of connection still focuses on what we might call "traditional online community." The large number of indirect connections indicates that the influence of the key nodes in this network, such as Howard Rheingold, Nancy White, Amy Jo Kim, and the Online Community Report, is felt well beyond those to whom they are directly connected.

Influence as a Network



- KEY:**
- ① Online Community—Rheingold, White, Kim, Online Community Report
 - ② Collaborative Knowledge Management—KM Cluster, Gurteen, BaseX
 - ③ Communities of Practice—Wenger, KnowledgeBoard, Harvard
 - ④ Internet Studies—AOIR, RCSS
 - ⑤ Social Networks—LinkedIn, Orkut
 - ⑥ Intellectual Capital/Innovation—St. Onge, Amidon
 - ⑦ Consumer Online Services—AOL, Everquest

Influencers: Observations

What's the value of looking at a network of influencers? One value is quite straightforward: as in any other field, people working with online communities are often unaware of key sources and benchmarks that their peers rely upon. Recently, weblogs have provided a window into this world, as thought leaders in the area share their daily or weekly concerns online for anyone to read. However, as weblogs proliferate, understanding which blogs are worth following becomes increasingly difficult. Reviewing our list of "most-cited" influencers might help you fill some gaps in your own sources and models.

But don't stop there. As John Seely Brown and Paul Duguid noted in their book *The Social Life of Information*, "The way forward is paradoxically to look not ahead, but to look around." In reviewing the complete list of influencers, we became convinced that the value of the network lies not at the center—which frankly holds few surprises for anyone who's been working in the area for very long—but at the edges.

What do the edges of this network tell us? For one thing, we learn that our respondents are tapping into a wide range of disciplines in their efforts to build better communities. Computer science, sociology, marketing, and learning are there, it's true. But we also find business strategy, innovation, public policy, even graphic design. It's clear that people involved with online communities today have a broader perspective—and a bigger toolbox—than their predecessors.

Influencers: Continuing Research

It's also revealing to look at the types of communities our respondents are following, and perhaps trying to emulate. Again, we see familiar names like AOL, Cisco, IBM, and Buckman Labs, but we also see a large number of what David Weinberger has called "loosely tied" communities. They range from open-source communities like the Apache Jakarta project, to the extended communities around blogs like Corante Many-to-Many or Kuro5hin, to less-technocentric examples like grassroots political organizations and the independent film community. It appears that community builders have grasped that the social software phenomenon is only one expression of ongoing changes in the composition and nature of online groups.

A more complete picture of the network would require more data. Therefore, we plan to continue through the rest of 2004 to collect data on the people, communities, and companies who are influencing work in online communities today. After the end of the year, we'll develop updated lists and diagrams and make them available to anyone who's interested. If you'd like to contribute your responses, or if you have any suggestions or comments, please visit the wiki we've created for this project. We'd be glad to hear from you.

Chapter 5

Respondent Comments

In free-text fields, respondents shed light on how online community is changing and will continue to change.

“It’s not about the tools, and business reasons alone won’t make a community valuable, or generate ROI.” CLIFF FIGALLO, SOCIALCHEMY

“Now we have a daunting plethora of options for interactions in these virtual spaces ... Sorry for the stream of consciousness ramble but my ‘virtual worlds’ call and I don’t have time to go back and edit this!” JUDITH MESKILL, MESKILL.NET

What Does the Term “Virtual Community” Mean to You?

For the last word, we turn to our respondents. While most of our survey consisted of questions with a fixed set of possible answers, in two places we provided free-text fields for respondents to tell us what *they* think is important. We provided the following as optional questions:

- *What does the term “virtual community” mean to you?*
- *What have we learned in the first quarter-century of virtual communities?*
- *What does the future hold?*

In some cases, respondents provided useful context for data collected elsewhere in the survey. In others, they introduced new ideas, issues, or concerns, or reminded us of old ones that deserve more attention. In this section, we present a sampling of comments that struck us as particularly revealing or representative.

What Does the Term Virtual Community Mean to You?

“It doesn’t mean very much. It is a term of art that is a bit confusing and meaningless. Communities are real, not virtual.”

“To me ‘virtual community’ means a real-world community of people that use Internet resources to organize and work together.”

“I don’t use the term ‘virtual’ community. I tend to use ‘online community’ or ‘distributed community.’ The word virtual too often gets contrasted with the word ‘real’ (as in virtual is not real). What the concept means to me is a group of people with some persistent identity who share a common interest or activity together over time and whose primary mode of connection/communication is online.”

“Increasingly, the term ‘virtual community’ is used to signify ‘NOT a geographic community’ or ‘NOT a traditional collection of people’ rather than to indicate an ‘electronic only’ phenomenon. Thankfully, its use is declining as people’s professional and personal exposure to various forms of Internet support for the relationships in their lives grows.”

What Does the Term “Virtual Community” Mean to You?

“A group of people distributed geographically who use electronic media to coordinate activity and build levels of trust typically associated with groups who are co-located.

“Don’t think about virtual communities as distinctive entities. I think about communities, and how internet tools connect them. This is true whether the participants met online or in person.”

“Well, number one, I think it may be an overused term. A community is a community is a community. Even many of my local communities have become somewhat ‘virtual’ through the use of email lists. I see ‘virtual communities’ as a community that uses some form of non-direct (i.e., phone or in person) communication to have a dialogue.”

“To me, ‘virtual community’ represents the very best that the Internet has to offer—the ability to share information and experience with people who share my views and, more importantly, to explore the perspective of people who think very differently than I do, on an intimate, one-on-one level not offered by other forms of media.”

“A much abused term that means ‘almost, but not quite’ a physical community. As such, ‘virtual’ is a terrible replacement for ‘online.’ The mode of communication be it chat, message board, blog, social network or wiki matters less than the interactions between the people involved.”

“Personal and professional relationships forming around a shared reality can transcend geographical boundaries with the help of an Internet-based technical tool.”

“A virtual community is a collection of people distributed in time and space who exchange knowledge and information using technology.”

“A collection of people that share a common interest, have some form of community leadership, but are usually separated locally which forces them to exploit virtual (and possibly additionally face-to-face) communication to maintain relationships within the group.”

“Howard Rheingold’s definition still resonates for me: Virtual communities are social aggregations that emerge from the Net when enough people carry on those public discussions long enough, with sufficient human feeling, to form webs of personal relationships in cyberspace.”

What Does the Term “Virtual Community” Mean to You?

“A web-enabled space entered into purposely by people who believe they share a common interest and believe that they can benefit by association with others who share that interest or purpose.”

“An audience (two or more) with a common need for knowledge, understanding, belonging, companionship, and progress. Only the platform is different: Instead of meeting at the local library, these folks with common interests are reaching each other online.”

“A collection of individuals who come together in an on-line forum in order to discuss a theme or topic in which the members hold a common interest. This collaboration generates synergy—the whole is greater than the sum of the parts.”

“An entity comprised of semi-autonomous, interdependent units (individuals or enterprises) working with common values and complementary competencies toward a shared vision.”

“Communications between people with similar interests from all over the world irregardless of time zones, language barriers, or locations.”

“A number of people, not too small, who interact primarily or exclusively—at least a over certain amount of time—by electronic means (email, mailing lists). A community has relatively intense interactions (as compared to a network that has less intensity). A community is based around an issue, topic, subject (as opposed to a team that is based around a project, task, process).”

“I don’t like the term virtual community because, to me, it’s a term loaded with prejudice. Virtual tends to mean ‘simulation of the real’ or ‘almost like real’ but I don’t see online communities as being any less real than offline ones. ‘Community’ is also problematic—even the Oxford Dictionary of Sociology can’t properly define it! My preferred term is ‘digital social network’ because the term describes the network without placing value judgments about the strength of ties between people.”

“A social network, supported by ICTs, wherein the value of the information is highly determined by social factors.”

What Does the Term “Virtual Community” Mean to You?

“Virtual community sounds quite dated to me, virtual being a sort of science-fiction-y term. I prefer social networks, or just online communities, or digital communities of interest.”

“A virtual community emerges from a social network when a new focus appears.”

“It’s much more complex than what it was just 3-4 years ago. Virtual community now seems to apply to business and non-business uses of the Internet which bring groups—organized and self-organized—together to discuss issues which affect them. The methods behind such communications are also more diverse: instant messaging, surveys, blogs and other methods have joined (and in some cases, replaced) the traditional bulletin board/chat model in community creation.”

What Have We Learned in the First Quarter-Century of Virtual Communities?

“When virtual communities were first launched it was said to be the beginning of the end of social interaction; communities would isolate and cut-off their participants from ‘real life.’ We’ve learned this theory is not true and in fact, that virtual communities have put more individuals in touch with other individuals/businesses than could ever be accomplished in any other venue available today... well, short of a *People* magazine article listing your home telephone number.”

“Humans are still at the heart of communication, and tools are only small, incremental improvements. Virtual communities facilitate connecting individuals and archiving the exchanges, but without good verbal communication skills, virtual communities struggle.”

“‘Virtual’ is no longer a useful modifier for the term community, now that the Internet has become a real part of everyday life. There is nothing virtual about a functioning social formation that merits the term community.”

“There seems to be an inverse correlation between how much attention a technology receives and how impactful it is. In my circles email, instant messaging and email lists are king, but receive only a fraction of the attention of wikis or social networks.”

“What I’ve learned is: technology is only valuable in so far as it supports underlying social needs and multiple identities of the community; an appreciation of the lessons of complexity theory and cognitive psychology is important to understanding how human actors behave in the community.”

What Have We Learned in the First Quarter-Century of Virtual Communities?

“After this ‘first quarter-century’ we have ultimately learned that we too must innovate... One of those innovations is the value not just to members, but to the businesses and other concerns that fund these environments.”

“We’ve learned that virtual communities are simply another channel of communication for organizations to engage their customers, prospects, members, and employees. However, we have not provided a good set of guidelines for virtual communities as too many organizations still believe that if you build it they will come... and therefore slap something up on their website without the proper thinking behind it. That is why organizations cannot get to the ROI of their virtual community. More rigor and discipline is needed to demonstrate the true value of virtual communities. Today, it is anecdotal; hopefully over time it becomes more data-based and real for the senior executives who budget for the expense.”

“Virtual communities have demonstrated that neither geographic location, nor the company one is in, limits the contact possibilities.”

“The rise of virtual communities has shown the possibilities the internet offers for social interaction, but is also revealing new dynamics on the area of knowledge management. This is what McLuhan has called ‘the rear-view mirror’: The advent of new technologies shed a new light on existing ones. Just as the advent of television shed a new light on the strength of the medium radio, so are virtual communities offering a new perspective on traditional knowledge sharing systems.”

“First, communities are fundamental to social organisms. Technology has simply vastly increased the types of communities that can form, how they form, and the purposes for which they are formed. This explosion in ‘community formation’ has transformed the way we think about the ‘potential uses’ for community, and the ‘tools’ that instrumentalized community formation possess latent possibilities for potential exploitation of the community phenomenon. It’s like the moment when primitive man realized not only that the cave offered some protection against the elements, but that with a few rough tools he could build things that were ‘cave-like,’ thereby solving the prevailing housing shortage. We are now beginning to build things that are ‘community-like.’ Who knows where it will lead?”

“The number of these are growing at such a rate that the time-consuming aspects are starting to affect involvement, long-term problem, lots of talking and duplication.”

What Does the Future Hold?

What Does the Future Hold?

“As the behavior of 40-year-old-and-unders does not include subscribing to magazines or newspapers, publishers, particularly of special interest publications, will find that building communities of interest and social networks around their area of expertise will be profitable and desirable, and critical to their ongoing strategy and mission.”

“Most useful: IM, product reviews (e.g. Amazon), and open discussion forums. In the coming years the key enhancement will be mobile access to all of these functions which today are typically accessed just from a desktop computer. The other enhancement will be multi-media content published by the community participants.”

“The technology to bring the social wiring of humans into fuller play online is just arriving. So I fully expect the next wave of innovations (5-7 years) to eventually be labeled ‘social’ or ‘relationship’ processing/computing.”

“We’ll see weblogs organize and link themselves together to form new kinds of disparate and tenuously linked online communities.”

“Young technology and limited computer use resulted in online communities that spanned huge geographical areas. As technology becomes more user-friendly and computer use increases, online communities will become more local.”

“Loose networks will be enhanced and will be more influential, forming new knowledge, and innovation.”

“While the term ‘virtual community’ seems out of fashion, collaboration has taken on many of its best attributes and I believe that—given outsourcing and more disparately located teams and interest groups—there will be growth in tools and deployments.”

“I think multimedia (voice over IP, videoconferencing, etc.) and new means of recording/archiving/indexing/searching that type of content will increase in the future.”

“Those born into it will transform it utterly. In their hands it will be (and often already is) characterized by ubiquity, informality, and great range of purpose, trivial to profound. Meantime, the tools, technical and organizational, will continue to both impede progress and evolve towards a state of seamless ease.”

What Does the Future Hold?

“Cautious personal predictions for the future: movement from a linear scheduled-media environment to an IP-delivered, on demand, rich media environment where you can access tailored content where you want it, when you want it, how you want it ... with linear programming and scheduling still firmly there, but as one of the choices you can make. [Media producers] may begin to talk about ‘brands’ and ‘genre content’ rather than ‘programmes.’ The public will begin to co-produce media, and the media producers will act more as editors who enable and shape this material, plus add the expert view and point to ‘the official view’ or ‘the best,’ ‘the newest,’ ‘the most apposite,’ ‘the funniest.’ etc. Media producers will also still offer quality crafted content but audience/members will be able to view the content in different ways and to also feedback and comment/add material in separate windows or on separate menus if people want to drill down or across to take a look. Further ahead: 3D networked gaming environments with chat and self-build homes/dens/vehicles will increase in popularity with children, particularly boys. Medics and scientists will see the value of such environments for teaching, and holiday brochures will never be the same again.”

“What makes communities ‘take off’ are specific people within attracting others who match the community purpose and social style. I foresee a short round where social networking for the sake of social networking booms, then collapses. After this, the tools of social networking will be integrated into other online tools and a new round of interesting social behaviors will take off. Mobile phones still promises to disrupt everything we thought we knew about social organization using technology. Kids and teens in Japan and other Asian countries offer a glimpse of the degree of connectedness yet to come. In short, the best is to come.”

“In terms of what the coming years may hold I’ve learned to expect that I should be surprised. I usually am.”

You can view all comments by visiting the wiki at: <http://www.socialtext.net/online-communities-in-business>.