Let them talk! Managing primary and extended online brand communities for success

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Abstract It is clear that customer-to-customer contact through informal social networking and more formal company-sponsored platforms, such as discussion forums, is an increasingly integral element in building brand communities. There are many benefits to this interaction, such as nurturing brand champions and 'super users,' and reduced service costs through customer-to-customer solutions for product problems. However, there are also hazards inherent in these largely unregulated communities, such as the potential damage of widely spread negative information, which may be based on fact or on malicious intent. Herein, we summarize the results of several years of research examining these communities in an attempt to understand why they succeed, what benefits can be extracted from them, and—in particular—how negative information emerging in these environments can be strategically managed. Based on a series of quantitative and qualitative studies, we identified several key drivers of online brand community success (i.e., intervention, conversion, value creation, and harvesting) and the different combinations of community players who must collaborate to achieve such success. Delving more deeply into the issue of negative information management, we find that the topic being discussed (i.e., core versus augmented product) and the validity of the claim greatly influence a firm's appropriate strategic response. Throughout this article, we offer managerial guidance on the most effective ways to develop primary brand communities that encourage loyalty, purchases, and positive word of mouth.
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1. The blessing and curse of online communities

Customers will talk, and they are at their most open, honest, and candid when they are talking to each other about their product opinions and consumption experiences. The classic notions of these conversations happening over a backyard fence or in a hair salon with opinions spreading to a circle of as many as a dozen (!) friends and acquaintances have been blown away by technology. Today, whether it is a 'super user' customer helping others solve technical problems or a celebrity tweeting about a bad airline experience, consumers are empowered to communicate like never before. There are many benefits to the right kinds of customer-to-customer (C2C) communications: reduced customer support costs, powerful marketing and promotion opportunities, new product ideas, enhanced loyalty, and incremental purchases (Algesheimer, Dholakia, & Herrman, 2005; Williams & Cothrel, 2000). However, while this kind of C2C communication can have an enormous reach (e.g., tweets can now be retweeted!) and be incredibly cost effective for the company involved, these communities also introduce a dramatic loss of control for organizations carefully trying to craft a consistent brand message. This dynamic creates an extreme vulnerability to even one subversive customer intent on wreaking damage on a brand (Tripp & Gregoire, 2011; Ward & Ostrom, 2006). The high stakes in these communities—both good and bad—suggest the importance of managing online communities or social networking sites in ways that leverage and amplify positive influences while mitigating or eliminating negative forces.

Cultivated over several years, our research indicates there are three main issues managers face in managing online C2C interactions: (1) understanding the nature of the community, (2) identifying and implementing key drivers of online brand community (OBC) success, and (3) dealing with negative online commentary. To help managers understand the nature of the community, we first make an important distinction between a *primary* brand-specific community, such as a discussion forum, and the *extended* brand community consisting of all consumers coming in contact with brand information. We consider the fundamentally different forms C2C communications take in these two universes and how managerial goals and options are substantially different across these environments.

Next, we briefly describe a series of qualitative and quantitative studies we conducted to examine consumer-to-consumer communication in primary brand communities. Most significantly, we review our study of more than 200 consumers in two different online communities within the same product category, examining both their online C2C interactions using a 'netnography' technique and the actual sales behavior resulting from those interactions. This information is then combined with a series of in-depth interviews with online community managers. From this work, we highlight four key drivers of online community success (i.e., value creation, harvesting, conversion, and intervention) and the combinations of important online community players (e.g., community managers, experts, moderators, super users) who must work together to achieve these goals.

Finally, we narrow our focus to consider the most vexing form of C2C communications for managers: the negative commentary emerging in every online community and appropriate strategies for reacting to—or ignoring—such commentary. We offer an applied and managerially useful framework for handling these dissatisfied customers. Our work suggests that, far from being autonomous and unmanageable tribes, these communities can be leveraged in strategic ways to positively impact the bottom line.

2. Background: Primary and extended communities

The research underlying this article comes from a series of studies we conducted examining the nature of OBCs, with a focus on information exchanges between users and how they influence product attitudes and purchases. These communities have benefits for firms in terms of being able to more closely monitor and connect with customers (Kozinets, 2002), and they have the potential to enhance customer loyalty (Hagel & Armstrong, 1997). We refer to these brand-specific online settings—including forums, discussion boards, and chat rooms—as *primary communities*. A primary community includes users who are, on average, more attached to and interested in the specific brand than users in the broader extended community. As highlighted in Figure 1, the ways in which consumers express their dissatisfaction with a product or service experience vary greatly in these two settings.

In the primary brand community, dissatisfied consumers may use bad product reviews, public complaints to the company and/or moderator, and private messages to other community members to express their dismay. Depending on the community's assessment of motivation, an individual using these tools too aggressively can even be labeled a *troll*.