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# The Private Social Network: It May Be Just What Your Company Needs

*This article is by [Vanessa DiMauro](#), the chief executive of [Leader Networks](#), a consultancy that helps companies get closer to key stakeholders.*



Most of the buzz about social media concerns Twitter, Facebook, LinkedIn and the like, and how they can drive traffic and revenue for consumer brands. That social marketing hubbub is exciting, but it drowns out the quieter but much larger impact private online communities can have on business-to-business firms and their customers. In these intimate online venues, customers and companies can convene to plan and

build for the future, collaborating in ways that will never happen in the public eye.

Private online communities offer secure spaces for customer intimacy programs, product innovation summits, and peer-peer idea exchanges. Small groups of people with common interests come together to share information and support complex decisions, such as who are the best lawyers in a specific legal niche, or the proper steps for installing and rolling out a complex H.R. software package, or where to train employees on presentation skills. Key benefits for their sponsoring organizations include generating ideas and information that fuel business innovation and customer satisfaction. As businesses and individuals discover the strong operational returns they can get from these communities, they are creating a quiet but powerful social business revolution.

One example is LexisNexis' Martindale-Hubbell business unit, a publisher of directories that list lawyers and law firms and their specialties. For 140 years Martindale-Hubbell has helped attorneys find one another, especially aiding in-house corporate counsel in locating the right outside law firms or sole practitioners. Martindale has a trusted brand, but it realized three years ago that it needed to serve its customers differently, so it built a members-only online community, Martindale-Hubbell Connected, for global legal professionals. Today this online community has more than 60,000 members in 120 countries.

Before Martindale-Hubbell Connected, there was no trusted online way for legal services buyers to find and access specialized legal professionals. Law firm websites were underdeveloped and out-of-date, and locating and vetting legal experts was time-consuming and inefficient. Martindale-Hubbell Connected has streamlined the process of finding the right legal specialist and now sends 20 times more qualified prospects to law firm websites than

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Google. This verified members-only online community gives lawyers a better way to present themselves to prospective clients, share their expertise with other attorneys, and share deeper profiles of themselves and their law firms.

Another example is Palladium Group, a consulting and education firm best known for its Balanced Scorecard approach to measuring a company's operational and financial health. Palladium launched an online community in April 2010, and today it has more than 4,600 members, all current and prospective clients. Palladium charges a membership fee; the community is a marketing expense that generates revenue, but, far more important, it helps the business deepen its client relationships and enables its customers to learn from one another online, strengthening the brand and the value of its Balanced Scorecard methodology.

There are many other examples of business-focused private online communities that serve audiences ranging from customers of global enterprise resource planning software companies to leading cancer specialists. For all of them, a small, focused, gated online community yields returns to members and sponsors that a larger public social network couldn't match. Private online communities can sustain ongoing customer engagement and avoid gaps between contact points, helping an organization reach scale while staying customer intimate. That is not a job for public networks.

The reason is straightforward: Meeting customer needs is the core value for all successful private online customer communities. To thrive, they must accelerate a business process or make possible some activity, exchange, or collaboration that wasn't feasible before. The appeal of privacy coupled with the strength of affinity leads to high levels of peer-peer and peer-firm engagement, just as in the offline, face-to-face world.

As public social networks such as LinkedIn and Twitter continue to grow, additional small affinity-based social networks will also keep emerging. Why? The growing population of public social network participants will result in an ever-larger number of people who need and want to participate in private communities, if only to turn down the noise and tune out the clutter of the public networks.

It's easier than ever for a specialized online community to convene a group of like-minded professionals. And professionals, thanks to their familiarity with public networks, now have the skills and experience to use online communities effectively. Individual decision makers with special interests and affinities can find and connect online with others who have the same experiences. In these smaller, quieter private communities, the voice of a single customer can be heard.

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**Katie Bussey** 8 months ago

Interesting article, Vanessa. Thank you for sharing!

One issue we face with our private online community is the belief the information will be shared beyond the community. This leads to the assumption the private and public networks are therefore the same.

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**Vanessa DiMauro** 8 months ago

Katie, thanks for taking the time to share your experiences. Yes- the fear that private community discussions are or could be make public is challenge and it is often necessary to ensure that members are aware of their privacy – What happens on gated communities stays confidential. This concern can grow when the private community becomes larger in number of members.

How does your community signal to members that they have a safe space?

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**rosemaryoneill** 8 months ago

Absolutely! And particularly in highly regulated fields, or industries that deal with sensitive information, a private community can become a safe zone for collaboration.

[Reply](#)



**Vanessa DiMauro** 8 months ago

Exactly Rosemary – you raise an excellent point about the NEED for these kinds of community within sensitive fields. Perhaps the reason why private networks often don't get the public attention is because the sharing \*must\* occur in confidence. Financial services, government, law enforcement and even medical practitioners need the gate to collaborate freely.

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**Jeff Giampalmi** 8 months ago

Great article. I couldn't agree more. Social media will continue moving toward specialized groups and companies will need to recognize this trend.

[Reply](#)



**Vanessa DiMauro** 8 months ago

Thank you for sharing your insight, Jeff. The trend toward specialized groups and companies is an important one. I believe that as the size of public networks grows, the number and types of private niche networks will naturally follow suit. Even as it stands currently, according to SNCR research, the typically professional belongs to an average of 3 professional communities – 1 large and



public, and at least 1 small and closed, in order to get answers to their questions – both wide and deep.

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**Jay Abramson** 8 months ago

Great article Vanessa. I think there is a huge opportunity for private online communities when we think about enabling connections between practice participants within a company. I did some work with one company in this space, and the potential was significant. I am now engaged with another client, and see the same types of opportunities. This can really redefine the concept of Knowledge Management, and help organizations truly move from Systems of Record to Systems of Engagement. The idea of connecting two people who have never met, but can share critical information is a big idea.

[Reply](#)



**Vanessa DiMauro** 8 months ago

Jay, the concept of using community as a trigger to help organizations move from a System of Record to SystemS of Engagement is a big idea indeed. I especially note that the shift is from a singular system to a body of systems-suggesting (accurately) that it evokes multiple systems that need to work in harmony with each other. From using community surface trends, to validating concepts to gathering feedback and new product or service ideas is the foundation.

What benefits have you (and others) found when engaging with customers or partners in this new ecosystem of knowledge-sharing?

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**Beth Bartlick** 8 months ago

Great article Vanessa! We see the community that we are building as a place where our customers will be able to connect with us and connect with each other in a safe space. After just attending a recent event focused on online social communities where I was able to hear other companies' success stories, I am even more excited to have our community up and running.

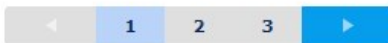
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**Vanessa DiMauro** 8 months ago

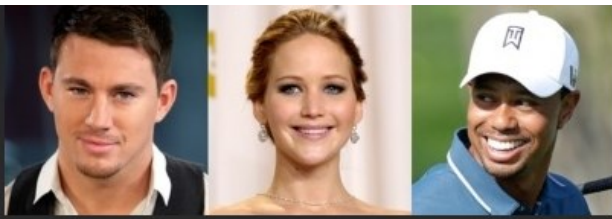
Absolutely Beth and thanks for sharing your experiences with your company's private online community. There are many success stories to be told – and those of us who are focused on creating greater value for the organization through customer communities do add exciting and valuable contributions to the the "bottom line"!

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