



The Net Promoter Score (NPS) Action Plan

A Detailed Approach to Gathering Feedback and Transforming the Customer Experience

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Congratulations!

You're ready to give your customers a voice and make big improvements based on their feedback.

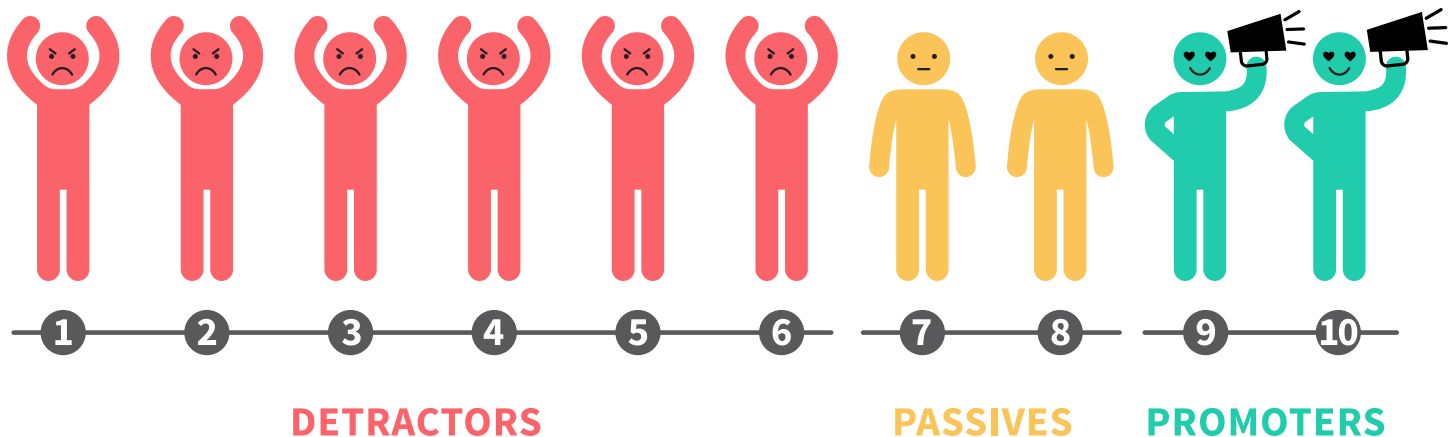
By using a net promoter score (NPS), you're gathering information to make impactful changes to satisfy current and future customers.



What Is a Net Promoter Score?

NPS is an excellent metric that sheds light on levels of customer satisfaction and loyalty.

It's measured on a scale of 0 to 10, indicating the likelihood that your customer will recommend your product or service to other people.



How Net Promoter Score Works

As you can see, a simple question can group your customers into the following:



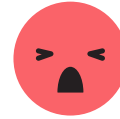
Promoters

Customers who answer with 9-10



Passives

Customers who answer with 7-8



Detractors

Customers who answer with 0-6

The question is usually just:

On a scale of 0 to 10, how likely are you to recommend us to a friend?

Promoters are the excited customers who are both loyal to your brand and actively sharing their positive experience they had with your business with their family and friends.

Passives just shrug at the idea of your brand. They're not loyal. In fact, they're probably open to switching to your competitors if the situation presented itself.

Detractors are not happy. You're risking losing them, but more importantly, they also might damage your reputation by sharing their bad experiences with others.



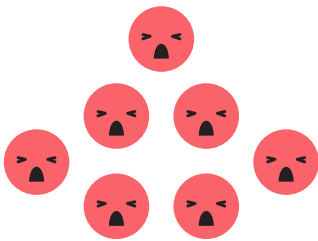
How to Calculate Your NPS

After conducting your survey, follow these steps to calculate your net promoter score:

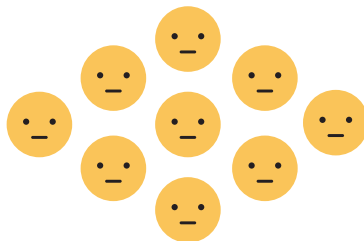


1.

Organize your responses into:



Detractors: 0-6



Passives: 7-8



Promoters: 9-10

2.

Subtract the percentage of detractors from the percentage of promoters. You will get a score between -100 and 100.

NPS = %PROMOTERS - %DETRACTORS

$$\text{NPS} = \% \text{ 😊 } - \% \text{ 😞 }$$

Benefits of Assessing NPS

This score gives you a bird's eye view of your entire customer base, breaking down exactly who loves your company, who is indifferent, and who is actively trying to leave you. And when you use this score to make changes to your business, you can improve your NPS over time.

Actively collecting this data and acting on it regularly can yield some awesome benefits, such as:



Showing you the likelihood of repeat business



Providing direction for how to improve the customer experience



Tracking change in customer loyalty over time



Gauging how you stack up against competitors

Types of NPS Surveys

There are two different variations of NPS surveys you can conduct. The type you choose determines when and how to send them to your customers.

1. Transaction or Trigger-Based Survey

- Sent after key actions are taken (ex. after a purchase).
- You can set criteria in your CRM for specific actions.



2. Relationship or Time-Based Survey

- Sent monthly or quarterly on an automatic basis.
- Implement this feedback to reduce chances of churn.

NPS Survey Structure

The standard NPS survey consists of two parts: the rating question and the open-ended question.



Rating Questions

Essentially, you're asking customers to rate the quality of your company and your brand. This sheds light on their overall sentiment of the experience they had with your business.

The most common example of NPS rating survey questions is:



On a scale of 0 to 10, how likely are you to recommend our business to a friend or colleague?



You can also alter this question to ask about specific products or services you offer. A good format would be:

"On a scale of 0 to 10, how likely are you to recommend (product or service name) to a friend or colleague?"

When you inquire about specific aspects of your business, you can hone in on what matters most. This feedback should be passed on to the appropriate team so they are kept in the loop..

Open-Ended Questions

A common second part of the NPS survey requests feedback in an open-ended way. For example:



What is the primary reason for your score?

This gives customers the chance to explain what specifically impacted their score. But you can get a little more specific, depending on what information you're seeking.

If you're looking for feedback on the customer experience, you can ask, "What was the most disappointing aspect of your experience with our company?"



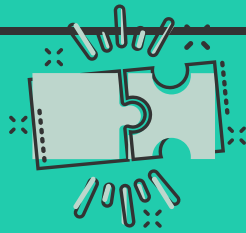
Or seek insights on how they want to be better treated, asking questions like, "How can we improve your experience?"

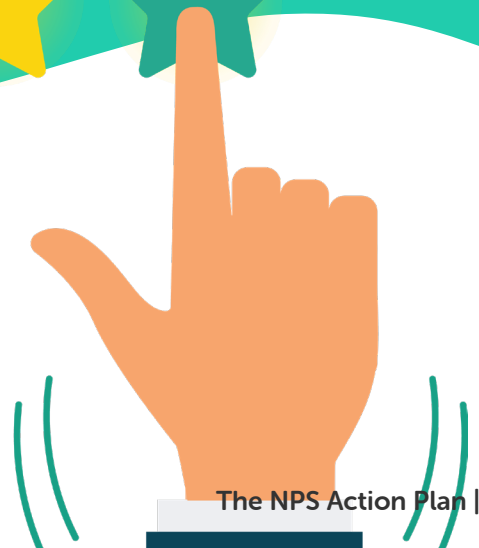
Customers may also want to weigh in on what they like, so ask, "What features or elements do you value the most? What aspects do you use the most?"

Additionally, you can just cut to the chase and get the answer straight from the source by asking, "What is the one action we can take to make you happier?"

NPS Survey Best Practices

Keep these tips in mind as you're developing and conducting your NPS surveys.

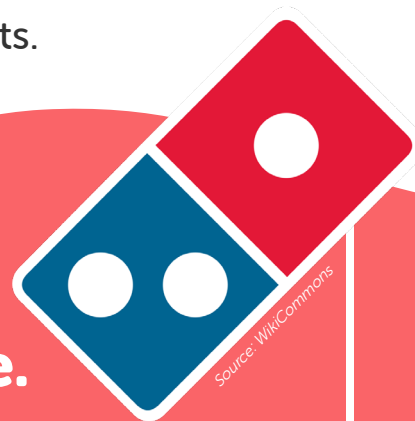
	
Assign a team of service professionals dedicated to NPS follow-up initiatives.	Follow up directly with your customers who submit their responses with a thank you message.
Measure changes in NPS over time to understand trends.	
	
Develop a segmentation plan to categorize your results and prioritize your initiatives.	Integrate your NPS feedback program with your CRM software.
	Set alerts for an unsatisfied customer score to open communication channels with them in a proactive way.



What to Do With Your NPS Results

Following up with customers makes them feel heard and valued. But you need to go beyond just gathering their feedback. They expect you to take action and make changes that benefit them.

Here's what you can do once you gather your NPS results.



1

Improve your interactions and the customer experience.

Depending on what questions you ask, you can hone in on specific touchpoints and make adjustments. This is why it's so important to share results with all your teams.

Dominos did an excellent job at using the voice of the customer to improve the entire customer experience. In 2009, they were widely viewed as the worst tasting national chain in the U.S., with shares bottoming out at just \$3.

Fast forward to 2019, nine years after Patrick Doyle became CEO and embraced the customer experience as a business strategy, Dominos overtook Pizza Hut with more global locations, and their stock rose to over \$295.



Doyle said it best:

You can either use negative comments to get you down, or you can use them to excite you and energize your process to make a better pizza.



2. Establish a customer success strategy.

Your customers are happy when they are set up for success. As you gather insights from detractors and passives, you can hone in on what they need from you.

Entelo used their NPS results in a proactive manner. They built a customer success team to field ongoing issues on a daily basis.



They previously conducted bi-annual surveys, but this didn't help customers in real time. Major customer satisfaction issues went unaddressed for months at a time.

Now, the company uses an in-app NPS tool to gather customer feedback and respond instantly. Loni Spratt, the director of the customer success team, noted the positive customer response to their real-time engagement.



Some of our customers are actually shocked at how fast we react when a negative comment comes in. We've definitely received comments of, 'Whoa. I just did this an hour ago. Is this an automated thing?' They think it's really cool.

Loni Spratt, Director of Entelo's customer success team



3. Follow the five-point customer feedback checklist.

Bain & Company, the global management consulting company, invented the concept of NPS, and they created a helpful checklist you should follow.

The first question inquires about aligning your company around the most important aspects of the customer experience. The next question assesses the frequency of gathering feedback.

Then, you should look at how you inform customers about the changes you made based on their feedback.

The last two questions are centered on improving your NPS. You want to look at how successful you are at using feedback to actually turn unhappy customers into loud and proud advocates and then identify the actual financial impact of that improvement.



Have you reached a consensus on your business's five most critical "moments of truth" with customers?



Do employees and managers get customer feedback routinely, on a daily or weekly basis?



Do you let customers know the impact their feedback had on improving your processes?



Do you know what percentage of detractors your operations now convert into promoters through service recovery processes?



Can you put a dollar value on turning a detractor into a promoter?

Feedback Fuels Revenue



With a strong action plan in place, you can turn your NPS results into strategic initiatives that drive revenue for your business.

You're always going to have customers who are dissatisfied or indifferent. And they're your best opportunity for growth.

By giving them a voice and listening to their feedback, you can regularly evolve your business in how you market, sell, and service your customers.

Solutions. Support. Satisfaction. Achieve It All Through Inbound Service.

Learn more about how you can educate, support, and delight your customers.

**Discover the Inbound Approach
to Customer Service**

