Your ultimate guide to Net Promoter Score





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An introduction to **Net Promoter Score**

Net Promoter Score, or NPS, is one of the most common metrics used to measure customer satisfaction across industries. It was created in 2003 and has since gained popularity as a way for businesses to get a pulse on how they're doing regarding customer experience. You've probably taken an NPS survey before yourself.

If you're new to collecting customer feedback, NPS is a great place to start. Collecting feedback from your customers and using those findings is the only way to truly improve the customer experience and eventually grow your business by providing stellar experiences every time.

Net Promoter Score is a simple survey that asks recipients:

They're given the option to answer using a scale of 0 to 10, with 0 being completely unlikely, and 10 being extremely likely.





Respondents are sorted into three categories: detractors, passives, and promoters.



Detractors

Those who responded 0 through 6. These are actively unhappy customers who had an experience you could improve upon with some resolution. Additionally, these customers are more likely to tell other people about their negative experiences which could hurt your brand reputation.



Passives

These customers responded 7 or 8 to your NPS survey. These respondents are generally neutral, and don't have complaints, but also weren't blown away by their experience with your business.



Promoters

Your promoters are your most satisfied customers who are most likely to recommend your business/service/product to someone else and give a rating of 9 or 10 on the scale. They're your success stories and the customers with the experiences you want to replicate.

When to use NPS

Net Promoter Score can be used anytime in your customer experience management journey. It's a great survey to consistently keep in practice so you can establish historical performance and use your own metrics as a benchmark. It effectively offers a snapshot of the customer experience and can be a great jumping-off point for follow-up questions.

Take NPS to the next level with follow-ups



Before you even get to calculating your overall NPS score, make sure you're getting the most out of your survey. This means you should build in a few followup questions and ask your customers why they gave you the rating they did. This will give you qualitative insights in addition to the quantitative ones the survey itself covers.

When you get answers to the question "Why?" you're better able to identify where to make changes and train your teams to improve the customer experience for the future.

How to ask follow-up questions to NPS:

You can start by asking respondents why they chose the score they did when responding to your NPS survey. If you offer them a specific set of answers, you can then narrow down even further what went exceptionally well, or poorly, during their experience. Then, you can ask what about that part of their experience prompted the rating it did.

Example: Home cleaning service three-question NPS survey

Using the scale below, rate how likely you are to recommend Spotless Cleaners to a friend or colleague? Why did you choose scheduling? Why did you choose that rating? O Billing/payment O Amount of time slots available Service End result Online scheduling O Cost O Cleaners O Timeliness Scheduling team O Cleaners arrival time Scheduling Other • The time it took to clean Other

These two simple follow-up questions got you the feedback that explains why the customer wouldn't recommend the company — the scheduling, and more specifically the time it took to clean.

Now you know there's room for improvement around the timing of cleanings. This could mean giving customers a better estimate of how long cleanings take or instructing cleaners to give an estimate with updates as they complete the job in the future. Starting with NPS and following up helped collect the vital information that can help improve the customer experience.



AskNicely customer Cinch Home Services has seen a 53-point increase in their NPS score since implementing AskNicely. They also set up an automation that enables them to take action and improve the conditions that cause a negative customer experience quickly and effectively. Learn more about how Cinch uses AskNicely.





How to calculate NPS: Step by step



After conducting your NPS survey, and pulling out the qualitative feedback, your next step is to calculate your actual NPS score. You don't need to worry about the passive responses, those are not used for the calculation of your NPS score.

Follow the steps below to calculate NPS:

Step 1: Calculate the percentage of promoters

You first need to find the percentage of respondents who would be classified as promoters. To calculate, total the number of 9 and 10 ratings you got and total the number of responses overall. Then, divide the number of promoters by the total, then multiply by 100 to make it a percentage.

Step 2: Calculate the percentage of promoters

Next, you need to find the percentage of detractors. Total the number of ratings 0 through 6 and divide that by the total number of responses, then multiply by 100 to make it a percentage.

Step 3: Calculate the percentage of promoters

For this step, you'll subtract the percent of detractors from the percent of promoters. This is your NPS score!

Step 4: Calculate the percentage of promoters

It's great to know your NPS score, you can use it as a benchmark for future scoring and to help set goals for your customer-facing teams. However, you should keep in mind that a good NPS score will be different depending on the industry.



Math not your thing?

Use our handy NPS calculator that allows you to plug in the number of detractor, passive, and promoter scores you have to find your NPS score.

Best practices



If you're new to conducting NPS surveys or even if you've conducted them before but are looking to improve them, we've got some best practices for you to follow.

Keep it timely:

Send your NPS survey at the appropriate time, ideally soon after the interaction with the customer so their experience is fresh in their mind and you have a chance to resolve any issues.

Keep it short:

If you tack more questions onto the end of your NPS survey, make sure it's only a few, your surveys should be short.

Follow up:

If you get a negative score from a customer, follow up with them to see if you can rectify the situation.

Pass it on:

Your feedback shouldn't be kept to your leadership team, share the feedback you get with your customer-facing teams who have the power to change everyday interactions with customers.

Be consistent:

Collecting feedback inconsistently won't help you improve, make it a priority to collect it regularly and get systems in place to automate it, like a customer experience management platform.



AskNicely's goal is to help businesses empower their customer-facing team with the information to improve the customer experience and drive business growth. We believe in giving teams access to feedback and praising them for a job well done.



If you're interested in learning more about how AskNicely could help your business improve the customer experience, schedule a demo.



Use our **customer experience ROI** <u>calculator</u> to see how increasing your NPS or CSAT score could drive growth for your business.

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