5 ways to grow your business with Net Promoter Score

Presented by

CUSTOMER·RADAR

CONTENT

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INTRODUCTION

Net Promoter Score is a method designed to gauge a company's overall customer satisfaction and willingness to recommend the product or service to their family and social circle. Ultimately, the goal here is to grow your business through providing customer experiences that customers love and keep coming back to.

Introduced in 2003 and revolutionary at that time, NPS in combination with modern technology empowers organisations to monitor customer satisfaction in real time and act on powerful insights generated by various NPS platforms. No longer is it enough to blast off quarterly or annual satisfaction surveys. The age of the modern customer requires a much more proactive approach with great a great feedback experience and responsiveness. Failing that, businesses risk customer churn to competitors or, worse, unfavourable online reviews from customers looking to vent and warn others about their poor experience. **88% of consumers have read reviews to determine the quality of a local business, while only 27% of online searchers are willing to use a business that has a 2-star Google rating.**

This guide highlights 5 tactics in which Net Promoter Score can be used to help your business grow internally and externally, promote customer-centricity and improve online reputation.

▶ **CLICK TO LEARN MORE ABOUT NPS**

"
88% of consumers read reviews to determine the quality of a local business "

BrightLocal

BUILD A GREAT CX CULTURE

Customer-centric companies are **60% more profitable** compared to companies that are not focused on the customer. The more a business focuses on not just great service, but also other elements of customer experience, such as product range, value, convenience, personalisation, the more likely it is to retain customers and grow revenue. Also, companies not sharing this focus are likely to retain less staff due to anything from dealing with angry customer calls to serious downturns in business. Employee churn has its own related costs quantifiable in cost recruitment, onboarding and training time and other related costs to business.

Here are two easy ways to embed NPS into your operation to aid your customer-centricity:

Share NPS with the wider team:

Make NPS reports visible throughout your organisation, correlating positive uplift in revenue with any increases in NPS. Show recent and longer term trends in NPS with view of milestones and changes in the business which have caused the metric to improve. This can be in the form of day-to-day individual feedback or monthly published report, depending on what is right for your business, highlighting to the organisation that value is placed on great customer satisfaction, leading to greater customer retention.

Add NPS scores to individual and team KPIs:

Create healthy competition inside your teams focused on a unifying goal that benefits your customers. Acknowledge standout results with CX awards, great customer comments and highlight feedback within the organisation.

> " customer-centric companies are 60% more profitable "
>
> BrightLocal

GROW SALES AND RETENTION

Most unhappy customers just leave. In fact, **96% of dissatisfied customers don't complain**. For every complaint you hear, there are potentially 25 others that haven't complained. Imagine being able to capture those customers before they decide to leave, and address their issues with them. Well, you have a good chance of that using an NPS platform that can alert you to any issues. Your business retention rates can kick up with little effort if the feedback process is made easy and convenient for the customer. You should be able to set triggers which send you a message or email as soon as a low customer feedback score is received.

Good news is that most detractor issues are quite often a simple misunderstanding or a simple resolution that can be achieved quickly. **67% of customer churn is preventable** if the customer issue was resolved at the first engagement.

Make it easy

When it comes to the **user experience** of your NPS survey, the key is to make it really easy and convenient. Don't ask too many questions! The contemporary customer is often time-poor and you risk losing them if the feedback process is too long, especially on top of a poor experience. Capture your customer feedback using input methods and devices they are familiar with.

Ask. Act. Improve.

Once a customer has given feedback and you show them that you are listening to them, it is easy to convert them to a promoter of your brand. Loyal customers are the best single source of recurring and growth revenue - **the probability of selling to an existing customer is 60-70%** while probability of selling to a new prospect is 5-20%. Also, **loyal customers are more likely to repurchase, forgive and refer to your business**.

The important action is to listen to your customer feedback actively and **reach out** to those customers who give you feedback. Then **act on the data**, this is the difference between just having insight and creating operational change.

> " Loyal customers are
> **5x** as likely to repurchase,
> **5x** as likely to forgive,
> **4x** as likely to refer, and
> **7x** as likely to try a new offering. "

Temkin Group

GROW LOYALTY & YOUR REPUTATION WITH SMART RESPONSES

Crafting your own approach to the way you engage different types of customers can yield greater feedback response rates and improve retention. Customer feedback, good or bad, can benefit you, if used right. Here are some approaches you can use to craft smarter NPS surveys:

THE GOOD - Invite your **Promoters** who give you positive feedback to submit a review for your company online. This will help you grow your online reputation from real customers with real experiences.

THE BAD - Send your **Detractors** a message of apology and get customer support team members to follow up with them and ask them what it would take to remedy their situation.

THE INDIFFERENT - As **Passives** are the customers easily swayed by competitor offers. They provide a great opportunity to find out what would transform their experience from a good one to a great one, getting a better rating next time. You can also invite them to join a loyalty programme to encourage them to come back.

The Good.
The Bad.
The Indifferent.

ALIGN YOUR TEAMS

Net Promoter Score and the insights it can bring if used regularly can benefit every team inside your organisation. Particularly customer-facing staff like customer support/success teams but also marketing, sales, operations and C-suite executive teams.

For **retail** and **e-commerce companies**, smart NPS platforms can pinpoint feedback that relates specifically to the product e.g. suggestions for features users want to see or issues with usability.

Customer success teams can use custom alerts set up in the NPS system to flag urgent customer issues and prevent resulting churn quickly. The NPS platform you chose should, at the very least, be able to send you a email or red flag inside your CRM when, for example, a NPS score of 0 or 1 comes in from a disgruntled customer who has used keywords like 'annoyed', 'angry', 'review' etc.

Marketing teams can utilise promoters to generate great testimonials, case studies and reviews online. The best marketing often comes from referrals and customer evidence: Customer testimonials have the highest effectiveness rating for content marketing at 89%!

Tip: Bring your department heads together periodically to analyse your NPS overall and within departments to determine how you can improve holistically.

GROW BUSINESS INSIGHTS

Using smart Net Promoter feedback allows you to segment feedback data into insights belonging separately to promoters, passives and detractors. This segmentation will allow you to recognise opportunities and requirements for different sets of customers.

You can then focus on different parts of your business in order to optimise different business goals. For example:

Promoters - Seeing what is trending with your promoters enables you to do more of the things your customers love. **73% of consumers say friendly customer service representatives can make them fall in love with a brand.** This is why a lot of promoter feedback features comments about excellent customer service, positive team members, helpful and friendly staff.

Sharing positive feedback with your organisation and rewarding people who have provided excellent customer experiences helps build morale and customer-centric culture.

Passives - Feedback from passive customers can help identify the difference between good and great experiences. Anecdotal evidence such as 'the service was good but...' can show what changes are required to turn up the dial and keep the customers coming back more often.

Detractors - Unhappy customers will point directly at the issues which are critical to them inside your business. They have felt strongly enough to send you a clear signal about what bothers them - change these and plug future 'leaks in the bucket'.

66% of consumers who switched brands did so because of poor service - issues that trend with detractors are most often linked to poor communication, long wait times, bad store experiences and issues around value and pricing.

> " 73% of consumers say friendly customer service representatives can make them fall in love with a brand "

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SUMMARY

Net Promoter Score is no longer just a satisfaction metric after the fact. Used smartly is can be the mainstay of your entire customer-centric strategy. The new customer requires a great end-to-end experience where they leave feeling like they mattered. The new customer wants to feel appreciated for their custom.

Asking for feedback is not enough to provide great customer service. But asking, then acting on the data and improving operationally will get you to the level of service your customers require. Use the NPS data inside your organisation to create accountability to the customer and you are sure to win more customers.