



What kind of a measure is **N.P.S. (New Promoter Score)**?

- Most companies consider it to be a measure of 'loyalty'.
- Some companies consider it to be a measure of referrals.

imo it's *not* a consistently reliable metric for *either*, however *it's popular!* So learn to leverage it!

Since it's '**benchmark-friendly**' across brands/time, we can...

- Check respondent views on our brand **vs how we trended in the past** (longitudinal or tracking studies); **and**
- Check **vs how we fare vs other firms in same industry** (fast food, airlines, telecom provider, hotels,...)



NPS is one way to gauge *how strong an advocate* your respondents may be.

This is the survey question's benchmark-friendly format:
"How likely is it that you would recommend [this brand/ product/service/company] to a friend or colleague?" (0 = Not At All Likely and 10 = Extremely Likely)

So....

How do we use the responses on a 0-to-10 point rating scale?

Net Promoter Score is a customer loyalty metric developed by (and a registered trademark of) [Fred Reichheld](#), [Bain & Company](#), and [Satmetrix Systems](#).



Promoters (score 9-10) are loyal enthusiasts who will keep buying and may refer others, fueling growth.

Passives (score 7-8) are satisfied, yet often unenthusiastic customers, who may be vulnerable to competitive offerings.

Detractors (score 0-6) are unhappy customers who can damage your brand & impede growth via negative word-of-mouth

N.P.S. = % who are Promoters – % who are Detractors

eg a score of 100 would imply all Promoters, -100 would imply all Detractors

Note: in many situations & industries, a high % of respondents are 'Passives', reducing the likelihood of extreme scores

More info here:

<http://www.netpromoter.com/why-net-promoter/know>

<https://www.checkmarket.com/blog/net-promoter-score/>



NPS: **advantages:**

- Can be an industry-standard benchmark
- Easily understood by respondents

NPS **Limits:**

1. It gets *gamed*. A LOT! Just as any other ‘industry performance’ score, there’s a HUGE temptation for franchise owners, department managers, shift managers, etc to encourage biased, overly positive sample selection & responses. *So police it well!*

2a It’s less useful in (problem-solution) negative situations; eg some respondents may be uncomfortable/unwilling to imagine ppl they care about in their situation eg “friends or colleagues” ...needing Legal help?
A morning-after pill?

2b *The Fix*: change “friends or colleagues” to “another person in the same situation”



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NPS Limits:

3a Not specific enough for *long term &/or multi-media relationships* eg a bank, auto maker or telecom provider will deal with you *in person* (at branch, dealership or an in-home service call), or *by landline or cell* or *online*. Which service experience is a respondent supposed to keep in mind when they reply?

3b **The Fix:** add a prefix: *“Based on your most recent service encounter”* or *“Based on your visit to the branch today...”*

4a Responses to ‘product/model’ may differ from responses about an entire ‘company’.

4b **The Fix:** Ask BOTH!

*The Net Promoter Score is a registered trademark of Fred Reichheld, Bain & Company and Satmetrix.

Considering only your most recent purchase experience, how likely would you be to recommend the purchase of an Apple iPad to a friend or colleague? (0 is not at all likely, 10 is extremely likely)

Not at all likely (0) 1 2 3 4 5 6 7 8 9 Extremely likely (10)

Considering your complete experience with our company, how likely would you be to recommend our company to a friend or colleague? (0 is not at all likely, 10 is extremely likely)

Not at all likely (0) 1 2 3 4 5 6 7 8 9 Extremely likely (10)



NPS **Limits:**

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5a It gauges just their *'potential to promote'*, without context of their social circle, ability to promote, social media presence...

5b **The Fix:** ask them 'influencer status' questions! ie "*Have you recommended (our brand) in Past 3 Months to ...?*" and/or ask them about the size/activity of their social networks, and/or ask them who in their communities is the go-to person on this topic.

6a It doesn't ask WHY, and it doesn't let them cheer or vent.

6b **The Fix:** Ask "What we did we do really well?" and "What could we do even better?" and/or just "What could we do to earn a 9 or 10?"