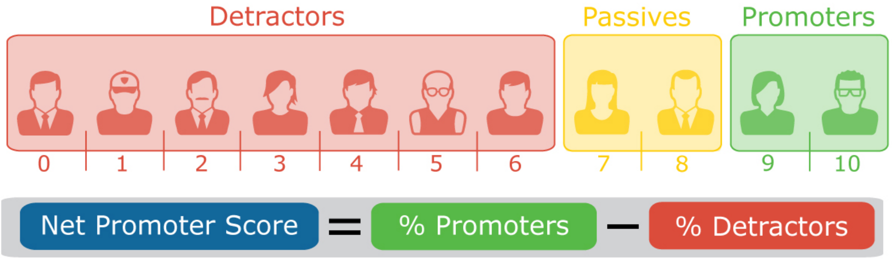
How to Monitor Customer Satisfaction & Loyalty (NPS)

Why we have this Process

The Net Promotor Score (NPS) measures how likely it is that a customer will promote our product to a friend. This is measured through a simple survey question "How likely are you to recommend our product to your friends or colleagues" on a 0-10 scale plus a short open feedback question "What is your mean reason for giving this score?".



It is very important to us to monitor and improve our NPS score because:

- The NPS metric is a **key predictor of company growth.** On average, an industry's Net Promoter leader outgrew its competitors by a factor greater than two times. (source)
- Promotors (score 9 and 10) are Likely to **recommend** an organization to **at least 3.5 people** (source)
- Promotors are **5 times** more likely to **purchase** more goods or services
- It allows us to automatically **contact unhappy customers before they leave**. So called Detractors (score 0-6) have a 1.5x higher chance of leaving (source).
- It allows us to **benchmark** against competitors (see image in Appendix below).
- It gives us insight what customer **segments** are less happy (i.e. Canadians) by tracking score per 'trait'.
- The open question at the end of the survey provides valuable **customer feedback and ideas.**

Context and Scope

NPS surveying is an ongoing Product Management process that for the most part feeds into the Discovery processes. It provides the discovery processes with information on what customer segments are (dis)satisfied, the cause of it and feedback by changes in satisfaction after a new feature was released.

When should the process be performed?

Surveys are triggered (shown in-app or sent via email) **on a schedule**:

1. The **first survey** should be triggered shortly after a new customer signed up and had some time to use the service (i.e. after 2 days). The more advanced version of this is: 1 hour after the user has achieved some value from your service (i.e. booked a room) or after 5 days after registering, whatever comes first
2. The **next surveys** should be send **every 3 - 6 months.**

Who performs the process

Who performs the process: Product Manager (with help of a tool)
Who is monitors if process is done (correctly): Head of Product

Process steps

Setup steps:

1. Configure the tool as shown below
2. Get the development team to implement the javascript code and add the traits as described below
3. Configure zapier integration to send an email to customer support for very low scores

NPS Monitoring:

1. Monitor weekly NPS email and comments. Add recurring feedback to the customer feedback wiki.

2. Every quarter do a deep dive into the scores, drill down per segment (i.e. country, subscription type, etc) to discover patterns.

Tool we use & Configuration

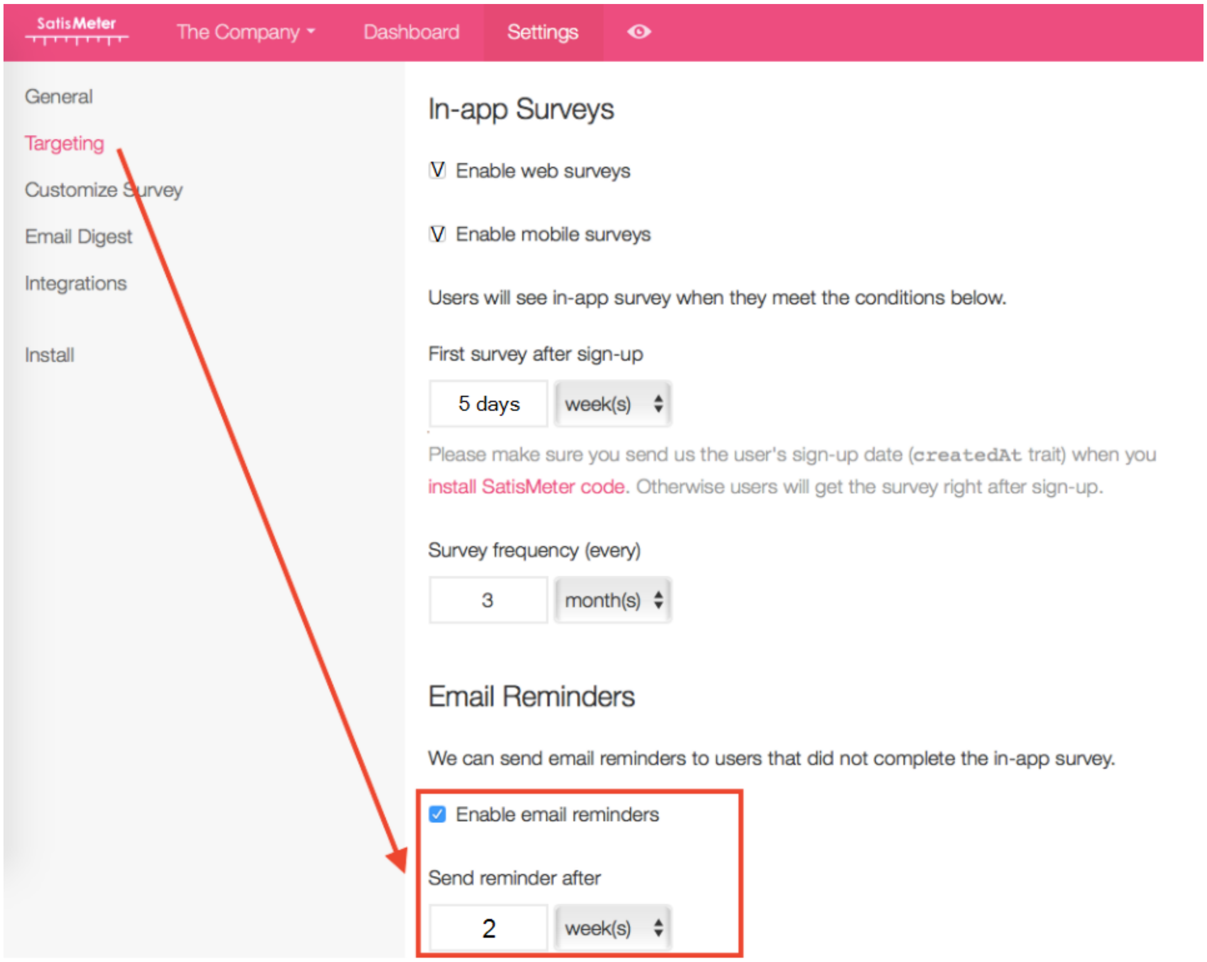
We use Satismeter because:

- It gives is very high response rates (22%) because it first tries to show the survey in-app, and if the user doesn't login it sends the survey via email.
- Does not show the survey again to a user who already has filled it in the last 3 months.
- It allows us to segment the responses/customers by "traits"
- The Zapier integration allows us to send an email to support if a customer is unhappy (score <6 to customer)
- Allows sampling only x% of a certain user group (to save license costs / poll less users).
- Relatively cheap (49$/month) (no I'm not an affiliate).

Configuration

We use this configuration:

- We have a **separate Project** for Buyers and Sellers on our platform, to keep scores apart more easily and because we track different traits for each (see next paragraph)
- We send the first survey after 5 days because the average customer has achieved some product benefit by then.
- We do a survey every 3 months, to keep tabs on our NPS development
- We only send an email reminder after 2 weeks, to give the user some time to login to the app and do the survey there (less spammy).



In-app Surveys

☑ Enable web surveys

☑ Enable mobile surveys

Users will see in-app survey when they meet the conditions below.

First survey after sign-up

5 days | week(s)

Please make sure you send us the user's sign-up date (`createdAt` trait) when you install SatisMeter code. Otherwise users will get the survey right after sign-up.

Survey frequency (every)

3 | month(s)

Email Reminders

We can send email reminders to users that did not complete the in-app survey.

☑ Enable email reminders

Send reminder after

2 | week(s)

Traits (for Customer Segmentation)

Satismeter calls customer properties "traits". These are great to drill down on what customer segments are unhappy. Some of these traits work out of the box like location, but you can also add your own from your product when you are calling their javascript (examples below marked with *) :

- Browser Language

- Country
- Region
- City
- Created At (signup date)
- User subscription type* (i.e. free/premium/business)
- User type* (i.e. personal/business)
- Username*
- Device OS
- Device Type
- Email
- Feedback (the free text feedback)

FAQ

How to present NPS scores to management?

First of all collect at least a month of data, as NPS scores fluctuate a lot in the first weeks. Then I would plan a first presentation of the score. In this presentation:

- Convince or remind management of the importance of NPS, using the first paragraph.
- Show industry averages (see image below)
- Present your score, show a bar graph per score (0-10), explain again how it is calculated.
- Quote some of the textual feedback you got.
- Tell them how you are going to use these insights to improve your roadmap and when the meeting about this is.

After this presentation I would include the whole C-suite in the tool so they get a weekly summary of the NPS score.

Further reading

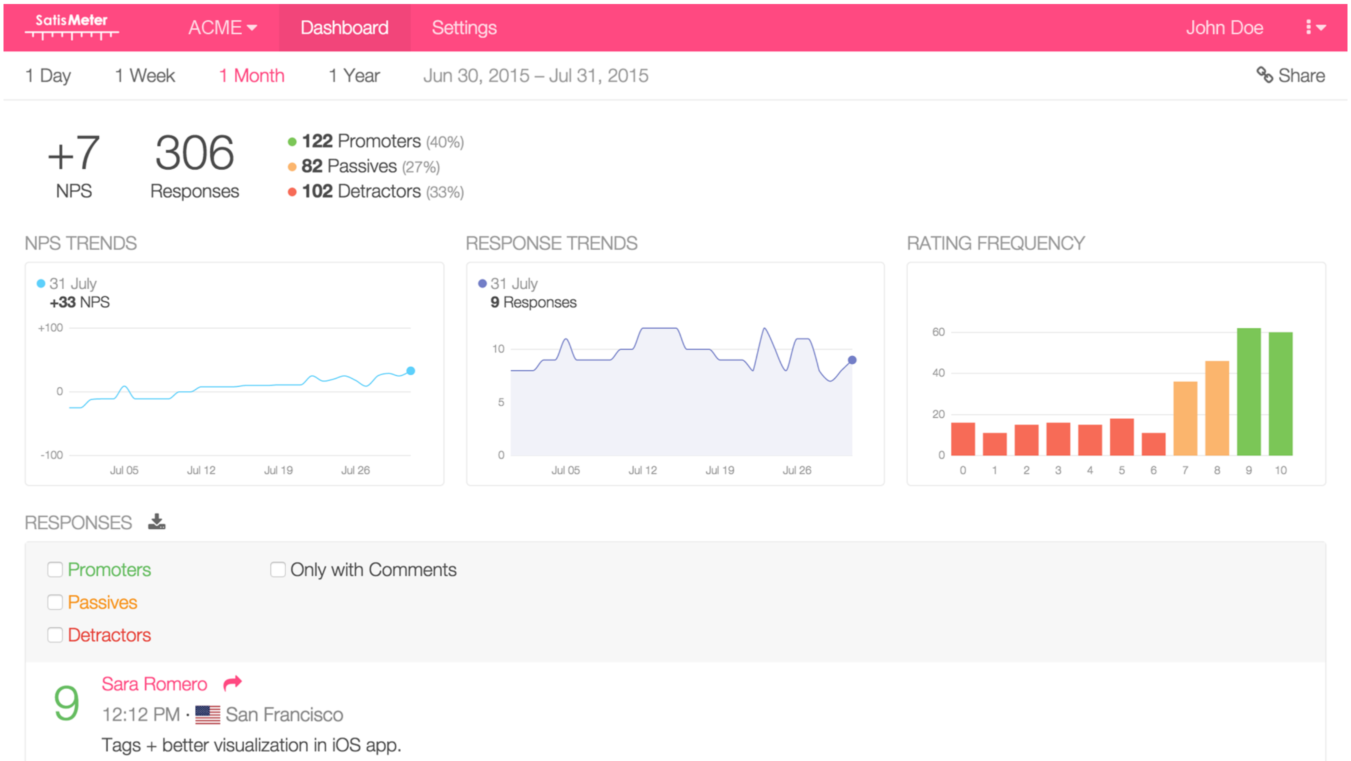
NPS and company growth: http://www.netpromotersystem.com/about/how-is-nps-related-to-growth.aspx

https://growthscore.io/ebook/how-companies-use-nps/

https://www.productboard.com/blog/the-power-of-nps-in-your-product-strategy/

Appendix A : NPS scores by industry

Appendix B: Satismeter dashboard


SatisMeter
ACME
Dashboard
Settings
John Doe
1 Day
1 Week
1 Month
1 Year
Jun 30, 2015 – Jul 31, 2015
Share
+7
NPS
306
Responses
122 Promoters (40%)
82 Passives (27%)
102 Detractors (33%)
NPS TRENDS
31 July
+33 NPS
+100
0
-100
Jul 05
Jul 12
Jul 19
Jul 26
RESPONSE TRENDS
31 July
9 Responses
10
5
0
Jul 05
Jul 12
Jul 19
Jul 26
RATING FREQUENCY
60
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1
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RESPONSES
☐ Promoters
☐ Passives
☐ Detractors
☐ Only with Comments

9 Sara Romero

12:12 PM · San Francisco

Tags + better visualization in iOS app.