Alchemer Digital NPS+ | NPS + Feedback

What is NPS?

Introduced in the Harvard Business Review in 2003, Net Promoter Score, or NPS, is considered a leading growth indicator across industries. It is a measure of customer loyalty that can be benchmarked across other players in your industry. Businesses should care about loyalty because it is directly correlated to customer lifetime value as well as growth through word of mouth. If your organization's score is higher than those of your competitors, you will likely outperform the market, and managing your organization to improve your score will also improve your business performance.

Respondents to an NPS question are grouped into three categories based on their ratings:

- 1. Promoters (score 9-10): Loyal customers who will keep purchasing and will refer the business to others
- 2. Passives (score 7-8): Satisfied customers, but may be swayed by competitive offerings
- 3. **Detractors (score 0-6)**: Unhappy customers who can damage your brand by negative word-of-mouth

To complete your calculation, you then take your percentage of Promoters (9's and 10's) and subtract the percentage of Detractors (0's through 6's), leaving out the Passives (7's and 8's).

The Problem with NPS

The challenge with NPS is that companies are left with no guidance or insight as to what needs to be done to improve an NPS score, and ultimately what needs to be done to grow actual business and customer loyalty.

Aside from acting as a badge of honor (and sometimes a point of shame), an NPS score alone doesn't actually do anything. At Alchemer, we teach companies to speak to people on their terms and to make sure every interaction provides value to the consumer, not just the company. This means that surveys that don't provide any actionable insight to enhance the consumer experience, like NPS, are not typically what we recommend our customers employ.

Introducing NPS+

NET PROMOTER SCORE + FEEDBACK

NPS+ is the simple solution we devised to meet our customers' needs while still sticking to our beliefs about actionable customer feedback. The goal of a Net Promoter Score-type survey should

be to determine the path necessary to change detractors, neutral customers, and even promoters to strong brand advocates. NPS+ does just that.

By simply asking customers, "Why did you choose this score?" after the traditional rating question and allowing customers to provide unstructured feedback, we have helped companies to contextualize the NPS score and to understand where their customers think they're doing well and where they need to improve — and made the survey valuable and relevant for the end customer.

6 Tips for Making Your Net Promoter Score More Meaningful

Along with ensuring questions provide actionable insights and value to consumers, the Alchemer team follows a number of other guidelines that help to optimize survey effectiveness and response rate in the mobile space.

- 1. KEEP IT SHORT. Screen real estate is very limited on a mobile device. Limiting a survey to four-to-six relevant questions is the best way to prevent survey fatigue and ensure a high response rate. No one wants to complete a thirty-question survey on a smartphone. Ask yourself, "Is this question absolutely necessary?" and, "Is this the only way to capture this information?" If the answer is no to either, remove the question. Try to gather as much information as you can through analytics or metadata attached to the survey.
- 2. HAVE A GOAL IN MIND. Since you're committed to limiting the number of questions you present, make sure that each question is focused on a single feature or event.
- 3. TARGET THE CORRECT AUDIENCE. Tools like Alchemer Digital allow you to serve surveys to specific, targeted groups of customers based upon actions they've taken within the app or personal information, such as account type, location, or amount spent within the app. Utilize these targeting tools to ensure you're asking relevant questions to people who have the right experience with your product or application to provide meaningful feedback.
- 4. RIGHT PLACE, RIGHT TIME. Ensure you're asking customers for their feedback at a time and place that won't prevent them from using the app for its intended purpose. For example, instead of asking them to complete a survey right when they launch the app, ask them about their purchase experience after they've completed the cycle and are closing their purchase confirmation.
- 5. PERSONALIZE. Talk to your customers as though they are individuals. Beginning with phrases like, "What do you think..." and, "How do you feel..." lets customers know you're interested in understanding them and their experience personally.
- 6. ALLOW FOR OPEN-ENDED FEEDBACK. You may have an idea of what customers like or don't like in your application; however, allow them to leave open-ended feedback to key you in on some positives or negatives that you may have missed.

By focusing on communicating with customers at the best possible place and time, the companies

with whom we work have had great success soliciting customer feedback. In one in-app study conducted by a global financial leader, for example, 93% of respondents left insightful feedback along with their NPS score—and this is on top of 64% of people scoring the company with a perfect ten. The company used this feedback to ensure that their product was evolving in a meaningful way, even for the customers who were already promoters. Their approach gave a voice to and provided value for every customer.

The next time you survey your customers, consider whether or not the questions you ask will give you actionable feedback. Will the survey provide value to your customers? Are you fanatical about reaching your customers at the right place and time? Have you optimized your survey for the mobile experience? Alchemer Digital can help guide you in setting up meaningful surveys, like NPS+, in no time.

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