



Marketing Metrics Part 3
**Analysing customer satisfaction levels
with the NPS**

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Introduction



The previous articles in this series were dealing with the importance of marketing metrics in building marketing's credibility and supporting well-informed decision-making; and also on the importance of measuring customer satisfaction levels with an organisation.

As a logical next step, it now makes sense to focus a bit more on a dedicated marketing tool used to measure satisfaction levels: The Net Promoter Score (NPS).



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Net promoter score (NPS)

When a customer is highly satisfied with an organisation's products or services, he/she may be willing to recommend the organisation to other potential customers.

The NPS is a metric that assesses this willingness to recommend a company, a product or a service to friends, relatives or colleagues using a scale from 0 to 10.

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Net promoter score (NPS)

Customers can be ranked in three categories:

- **Promoters (ratings 9-10) who are willing to recommend the organisation**
- **Passives (ratings 6-9) who are satisfied but unenthusiastic**
- **Detractors (ratings 0-6) who are unwilling to recommend the organisation.**



Net promoter score (NPS)

Having a high NPS score (9-10) reflects the customer satisfaction; this is a common way of companies to assess the customers' perception of how much value they bring to customers through their products and services.

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Net promoter score (NPS)

The NPS score is obtained through a NPS survey, which is an in-depth customer survey giving a detailed and truer insight into the customer base (Deloitte, 2014).

The NPS is a good way of measuring customer loyalty by understanding word-of-mouth marketing.

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Net promoter score (NPS)

It also helps companies assess why they have received a positive, neutral or negative score (Sauro, 2015). Feedback from the NPS survey could empower a company to make business change in order to improve the customer journey when using the company's range of products and services.

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Net promoter score (NPS)



The NPS score is a very useful metric to have as it will give a clear snapshot of how a company is doing versus its main competitors. The NPS survey also provides invaluable customer information.

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Net promoter score (NPS)

Below are some examples that could be applied to an animal health pharmaceutical company:

- **Customers' feedback on the overall company's performance**
- **Detailed customer feedback on various topics, such as quality of products, overall appreciation of the salesforce quality, technical expertise of the technical services in a pharmaceutical company for instance.**
- **Detailed customer feedback on how main competitors are doing**
- **Customers' wants and needs in terms of veterinary product innovation and technical and business support.**

Conclusion



The NPS survey results generally bring insightful customer knowledge, which will help a company's executives take well-informed decision and shape the constantly evolving long-term business strategy.

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Conclusion



A significant dedicated marketing budget and an allocated project team often need to be put in place. The project team's goal would be to build and lead the NPS survey, and then analyse, assess and propose adapted strategies to senior management according to the survey results.

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Bibliography



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