

# Net Promoter Score

## A Trusted Anchor for Customer Experience Management Programs

Net Promoter Score (NPS) is a trusted measurement of the consumer experience and indicator of sentiment. An index ranging from -100 to 100, NPS measures the willingness of customers to recommend a company's products or services to others.

Since 2003 it has been the benchmark for managing consumer perception of brands. Bain analysis shows that companies that achieve long-term profitable growth have Net Promoter Scores (NPS) two times higher than the average company. And NPS leaders on average grow at more than twice the rate of competitors.

## How NPS calculated?

NPS is calculated using a 0-10 scale. Consumers are given the question prompt of, "How likely is it that you would recommend [the brand or company] to a friend or colleague?". Responses are then grouped into one of three categories.



**10-9**  
Promoters

- These customers tend to be enthusiastic advocates or loyalists to the brand, and love their offerings.
- They are far more likely than others to remain customers and to increase their purchases over time.
- According to Bain & Co., they account for more than 80% of referrals in most businesses.



**8-7**  
Passives

- These respondents are satisfied with the products or services of a brand, and feel they adequately meet their expectations.
- They might lack passion about the offerings experienced by promoters and detractors, and feel neutral.
- Their repurchase and referral rates are as much as 50% lower than those of promoters. Their referrals are likely to be qualified and less enthusiastic.



**6-0**  
Detractors

- These are unhappy customers, who have negative sentiment about a brand.
- These respondents can be a liability that may impede a company's growth by spreading negative word-of-mouth, both offline and through review sites, and social media posts.
- They account for more than 80% of negative word-of-mouth. They have high rates of churn and defection.

To determine your NPS score, take the percentage of promoters (9-10) and subtract the percentage of detractors (6 or lower). That number is your Net Promoter Score.

## The Signpost Solution

Signpost uses NPS to proactively and automatically capture feedback following a transaction or interaction customers have with a brand. The platform also collects qualitative feedback, so that brands can continue to iterate on the experience and identify areas of opportunity, across each location.

Based on the NPS responses, Signpost's AI, Mia, is able to surface potential detractors to the brand, so they can reach out in pursuit of a resolution before a harmful review is posted publicly. Mia also reaches out to promoters to encourage more positive word-of-mouth, including 5-star reviews across Google, Yelp, Facebook, and many other of the review sites that prospects consult when evaluating brands.

This combination of visibility and proactive engagements empowers brands to maintain an online reputation that is reflective of their commitment to quality.

### Mia identifies and leverages your advocates, improving your online reputation by an average of 1.8 stars

**Measure** Keep your customer service on track with automated NPS and CSAT evaluations, in addition to qualitative feedback, so you can identify opportunities to keep customers coming back!

**Advocate** Mia knows who your advocates are, and makes it as easy as possible for them to sing your praises with a direct link to your profile containing a prefilled 5-star rating.

**Intercept** Intercept negative reviews before the damage is done with automated requests for feedback. Mia determines potential detractors and surfaces any issues, allowing you to get ahead of critical reviews.

**Resolve** Win back customers by showing off your dedication to customer satisfaction when unavoidable mishaps occur. Reach out to these unhappy customers to resolve any issues so you can move forward.

**Discover** As your business gets more 5-star ratings they'll help new prospects find your business when they're looking for it on search engines.

**Nurture** No customer is ever left behind on Mia's watch. She keeps tabs on your prospects to continuously nurture and advance them towards a purchase.

## Results for The Red Door

Luxury spa group, The Red Door by Elizabeth Arden partnered with Signpost to power an initiative to bridge the offline-to-online gap in 2017. The objective was to implement an efficient system to ensure their online reputation matched their exceptional quality of service across all of their 29 locations in the U.S.



**Feedback** The Red Door locations using Signpost received **4,469 Net Promoter Responses** in the first 2 months, with an average score of 62, providing the business with valuable and actionable insights into customer sentiment.



**Reviews** In just 2 months, Signpost's automated emails generated **97 positive online reviews** for 8 Red Door locations, **increasing their average Google star-rating by 18.4%**