

Ultimate guide

EVERYTHING YOU NEED TO KNOW ABOUT NET PROMOTER SCORE (NPS)



Table of contents

Net Promoter Score: What is it?	03
How to calculate Net Promoter Score?	03
What is a good Net Promoter Score? NPS benchmarks	04
NPS: How do you collect and read It?	08
NPS survey questions	12
What are the best practices for NPS?	14
Summary	16

Good customer experience differentiates companies in the market. Yet, some professionals misunderstand it, thinking extravagant gestures impress customers more than smooth, effortless experiences that customers value the most.

Quick problem-solving and effortless usability were less important to customers than being wowed¹.

— Harvard Business Review

To find out what customers want, it's essential to ask them. However, customer surveys can be a hindrance to the customer experience if they are too long or intrusive. To avoid this, surveys should be short and sweet, while still collecting the right data. The Net Promoter Score (NPS) survey is an easy way to measure customer loyalty. In this article, you can learn everything you need to know about NPS, including what it is, why it's useful, how to collect and read it, the types of questions you can ask, and the best practices for using it effectively.

1. Dixon, M., Freeman, K. and Toman, N. (2010). Stop Trying to Delight Your Customers. [See Harvard Business Review.](#)

1. Net Promoter Score: What is it?

In customer experience (CX), the Net Promoter Score® measures how satisfied clients are with a brand by asking one question: “How likely are you to recommend [company X] to a friend or colleague?” A survey is usually used to distribute it, and you can use the free NPS survey template to get started.



Despite its simplicity, NPS measures a lot, including customer satisfaction levels, growth potential, customer experience quality, brand perception, and organizational performance.

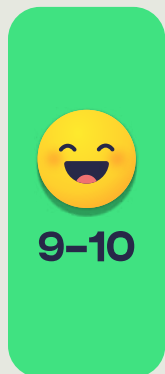
2. How to calculate Net Promoter Score?

To calculate the Net Promoter Score, you need to subtract the percentage of detractors from the percentage of promoters:

$$\text{Net Promoter Score}^{\text{®}} = \text{\% Promoters} - \text{\% Detractors}$$

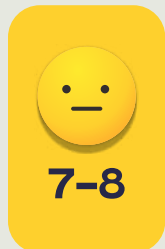
It's important to remember that the Net Promoter Score is not a percentage, but an integer between -100 (if every respondent is a detractor) and +100 (if every respondent is a promoter). For example, if you have 35% promoters and 20% detractors, the NPS will be +15.

Who are NPS promoters, passives, and detractors?



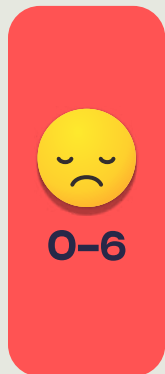
Promoters

Promoters are respondents who scored 9 to 10. They're the ones who are most likely to recommend you to their friends and act as brand ambassadors, make repeat purchases, and spread the word.



Passives

Passives are respondents who chose 7 to 8. They're mostly satisfied, but uninvolved, and easy to win over.

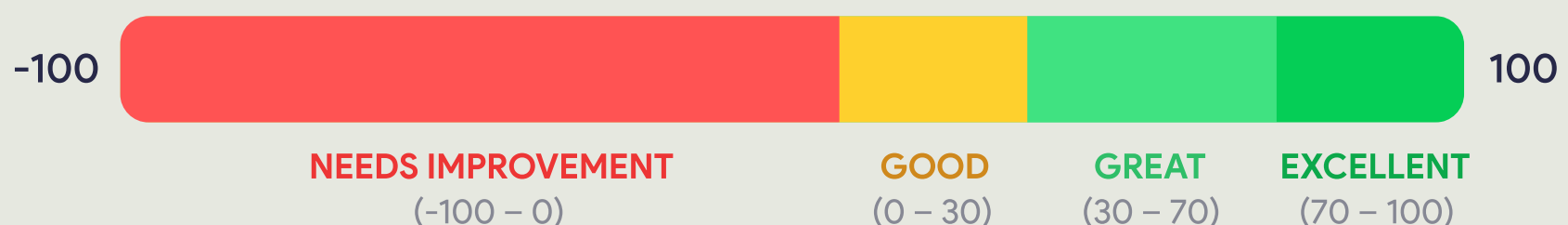


Detractors

Detractors are respondents who gave a score of 0 to 6. Unsatisfied customers won't buy from you again, and they're likely to go to your competitors and share their bad reviews, which could turn off potential customers.

3. What is a good NPS? NPS benchmarks

The Net Promoter Score can range from -100 to +100, but what's considered a good score depends on the industry and other factors. For example, a score of 50 may be excellent for one industry but average for another.



Basically, there are two types of NPS benchmarks: internal NPS benchmarks based on the organization's NPS data over time; and external NPS benchmarks based on average scores from similar companies.

To know if your score is good, you can check the NPS benchmarks for your industry or compare it to your previous scores or your competitors' scores.

There is no universal NPS benchmark as NPS differ from industry to industry.

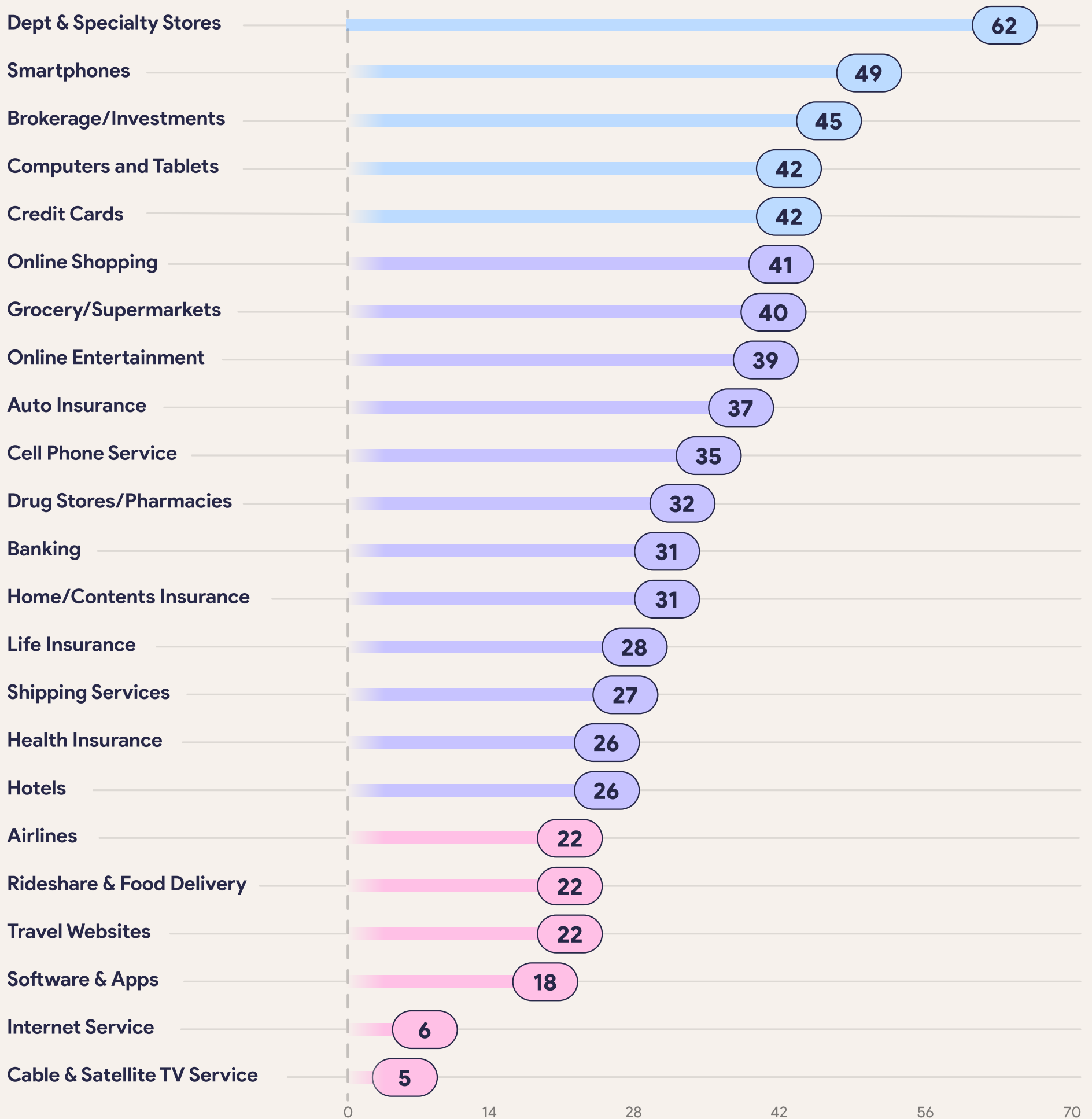


Chart. Average NPS by Industry

1. Luscombe, B. (2012). *Why We Talk About Ourselves: The Brain Likes It*. See Harvard University research

2. screver.com. (n.d.). Customer experience management (CXM): *How fostering customer experience ensures brand success* | Screver.

There is a caution about NPS benchmarks

Benchmarking your customer experience against your competition is an excellent way to gain insight into what incremental investments you should make to improve the customer experience over time.

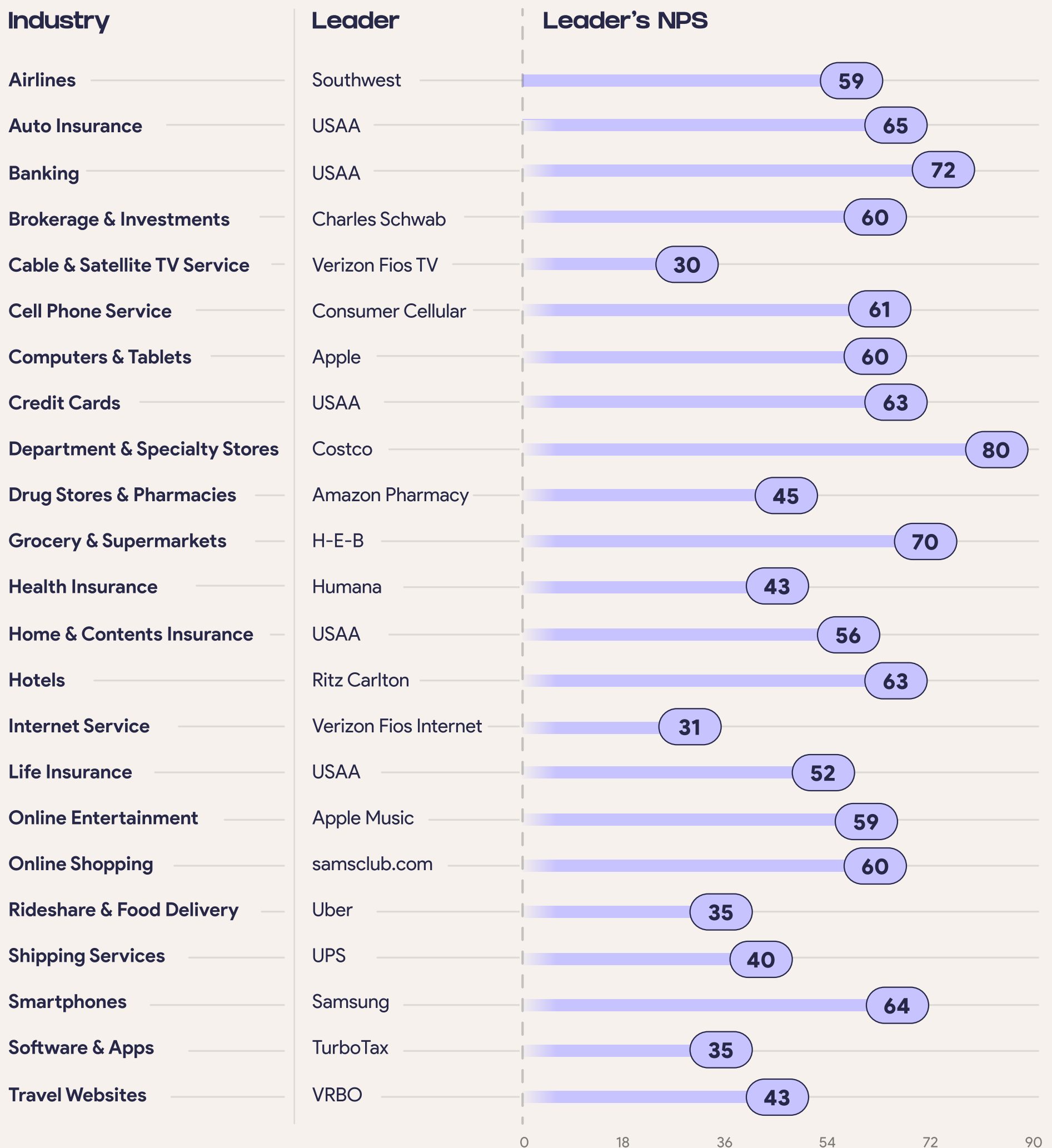


Chart. NPS Leaders by Industry


In contrast, anchoring on your competitors' scores will artificially limit your potential. A differentiated experience often allows breakthrough companies to grow through word-of-mouth while stealing market share.

When you stop improving your customer experience, a competitor will inevitably surpass you. The fact that customers have tolerated a poor experience to date does not guarantee that they will do so in the future.

Best companies continually improve customer experiences - benchmarking against peers or industry standards and benchmarking against themselves.

The first reason why Net Promoter Score (NPS) works is the way our brains are wired.

An NPS survey puts the customer first with the such question:

How likely are you to recommend [company X] to a friend or colleague? 

Instead of such questions:

How did [company X] do its job? 

According to Harvard University research¹, people get a "biochemical buzz" when they talk about themselves.

The second reason why NPS is so powerful is that it's so simple. Shorter surveys are more actionable since they're easier to interpret, and people are more willing to fill them out. Long surveys commonly result in low response rates and volatile results.

NPS also introduces a data-driven approach to customer feedback². It's consumer-centric and organized, so you can see everything and take action quickly.

A Net Promoter Score will let you know how strong your brand is and how fast your business is growing. Customers with high NPS are loyal and more likely to recommend your company. The power of word of mouth is unbeatable.

1. Luscombe, B. (2012). *Why We Talk About Ourselves: The Brain Likes It*. [See Harvard University research](#)

2. [screver.com](#). (n.d.). *Customer experience management (CXM): How fostering customer experience ensures brand success* | Screver.

Although "the ultimate question" is easy for respondents to answer, the results can provide complex insights and reveal areas for improvement.

Measuring NPS alone is not sufficient. The key is to act upon the insights gained through the process.

"Think of NPS, or Net Promoter Score, like rocket fuel. If you leave it alone, it won't do much. But when you load it into a responsive, proactive, customer-driven company: blast off."

— Nichole Elizabeth DeMeré ¹

NPS offers many benefits for both the company and respondents. It is simple to use, even by non-technical employees, and easy to understand and share across departments.

The results are actionable, providing a fast reflection of team strengths and weaknesses compared to other KPIs. Additionally, it has a high response rate and is time-efficient for both respondents and surveyors. The survey content, such as wording, question order, and the number of questions, can be benchmarked accurately over time.

By categorizing survey responses as positive or negative, it is possible to identify strengths and weaknesses of the assessed product or service.

Lastly, NPS can help identify customers at risk of churn, allowing for prompt intervention. While NPS should be included as part of KPIs for performance, acquisition, and monetization, it should not be a substitute for them.

4. NPS: How do you collect and read it?

To collect Net Promoter Score (NPS) data, you must first set up an NPS survey to gather feedback from customers. With an NPS platform like Screver, this process is straightforward. Multi-channel NPS surveys are easy to conduct with Screver. You can send the survey to your audience through:



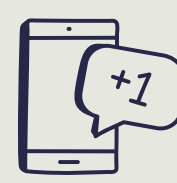
Email



Website



App



Messenger

1. blog.hubspot.com. (n.d.). [5 Interesting Ways Real Companies Use Net Promoter Score Results](#).

Get started collecting feedback right away with just a few clicks. It is also possible to conduct multi-channel, multilingual NPS surveys, communicating with the audience in their preferred language.

Using the real-time analytics, you can quickly analyze the results and take action to drive growth and decrease churn. The type of survey you choose should depend on your customers, your business model, and the kind of feedback you're seeking.

Relationship vs. Transactional NPS

There are two approaches to the NPS score:

- transactional
- relationship NPS surveys.

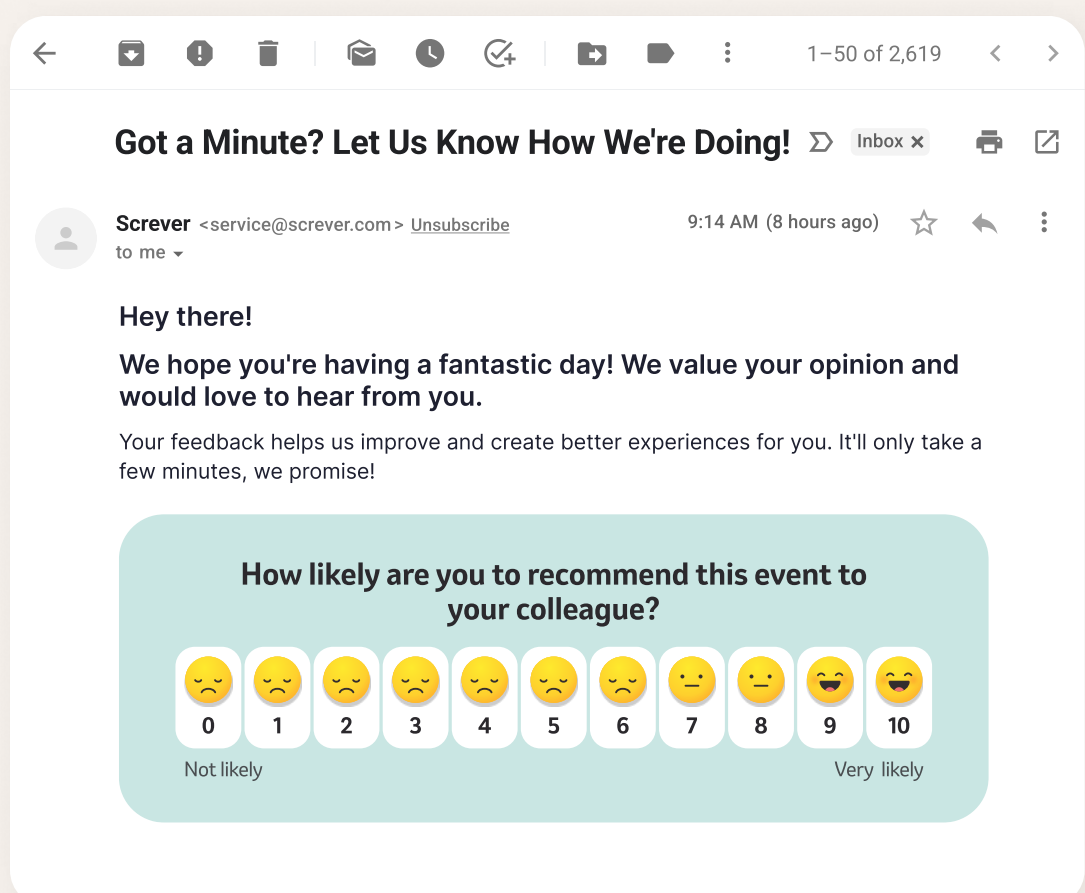
A relationship NPS survey measures your customers' overall attitude towards your company. It helps measure customer loyalty and satisfaction, and build yearly KPIs based on your NPS benchmarks. It's best to run a relationship NPS survey at regular time intervals.

On the other hand, a transactional NPS survey gathers customer feedback right after an interaction with your company. It concerns a specific touchpoint, such as a chat with customer support or a product purchase. A transactional survey will help you get clear-cut business insights and quickly discover your strengths and weaknesses. You also need to select a distribution channel for your survey - usually an email or a website.

NPS Email Surveys

In terms of customer interaction, emails remain one of the most efficient methods. Low investment and high productivity make it a popular channel for sending NPS surveys.

Email surveys tend to be less personal, so they don't get as many responses.



According to the DMA's Email benchmarking report for 2021, email open rates across industries average 19,2%. In comparison to a pre-pandemic value of 18.1%, there is still a slight increase. Here are some related advantages and disadvantages:

✔ Email survey advantages

Non-intrusive

Tracks loyalty toward brand

Wide outreach

Powerful customization

✘ Email survey disadvantages

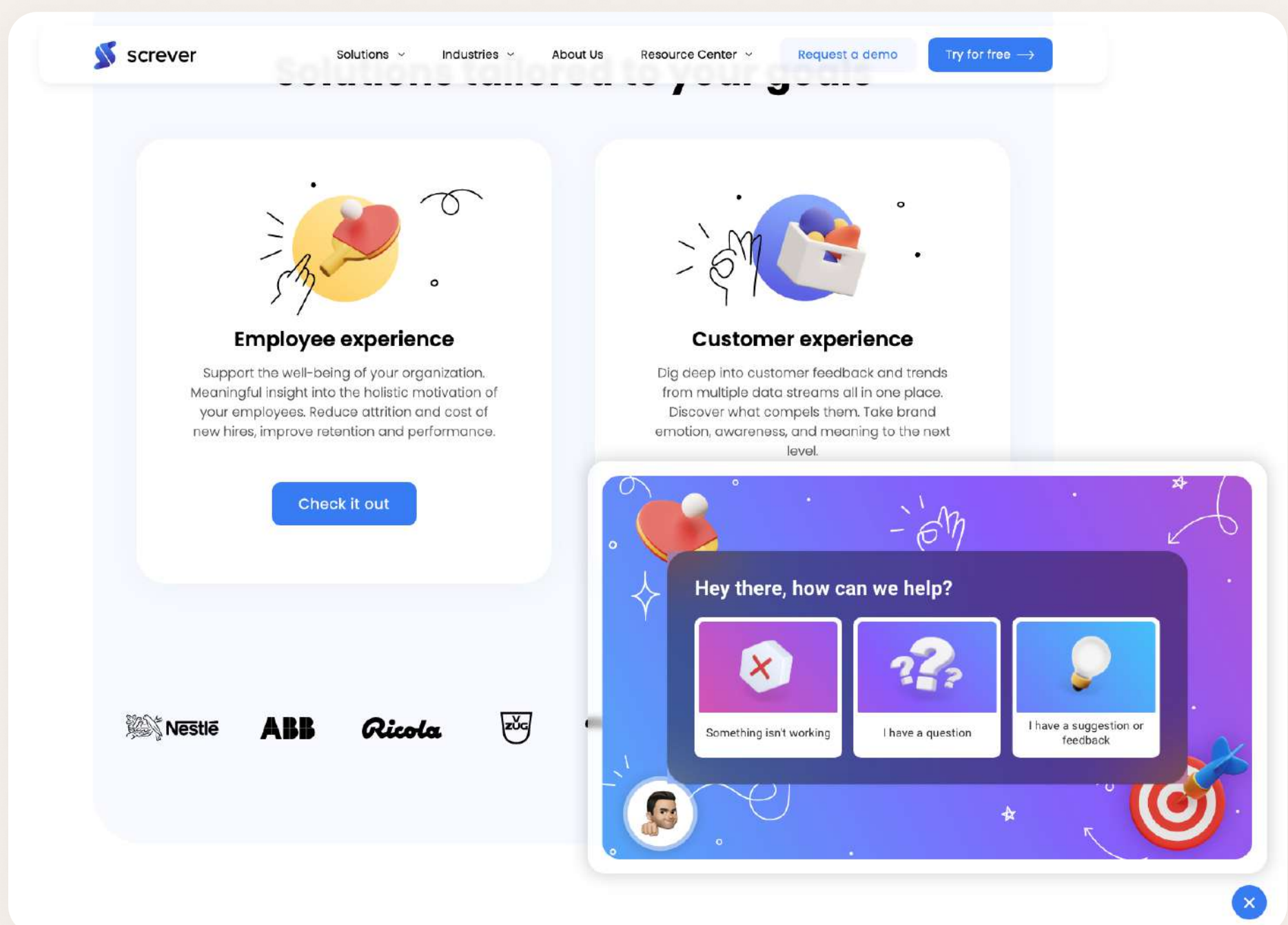
Low response rate

Non-response bias

Email survey fatigue

Website surveys

Implement NPS software on the website.



NPS surveys can be taken using the following methods:

- Microsurveys
- Measure customer loyalty with NPS microsurveys
- Feedback Button
- NPS feedback button anywhere on your site or app
- Slide Outs
- Slide-out NPS forms get instant feedback
- After events, trigger NPS surveys on the website
- Pop-ups
- Exit-intent Surveys
- While the user is exiting the website, show them the NPS survey
- Embed & Links
- NPS surveys can be embedded anywhere

How to read your NPS Score: *NPS analysis*

Your NPS score predicts your future growth or decline. As long as your score is rising, you're in good shape. If it's dropping, it's time to take action. However, simply using the numerical score is not enough to gain useful insights from your NPS survey. Here are four tips for analyzing your NPS results.

1. Take a look at the breakdown.

NPS is calculated by subtracting detractors from promoters. Analyzing individual survey score distributions can provide valuable insights. For example, a detractor who chose "1" will be very different from one who chose "6."

Take note of the following:

- How polarized is your audience? How many lukewarm users do you have? Decide whether you should focus on putting out fires or activating undecideds.
- What is the detractor breakdown? Is your audience evenly split between 1 and 6, or do they gravitate toward one end or the other? Is it easier than you thought to turn your detractors into promoters?
- Did you score a lot? Act on the negative feedback and rethink your product-market fit.
- Do you have many enthusiastic customers? Activate them if the answer is "yes."
- Are there a lot of passive customers? Encourage them to become promoters.

2. Analyze open-ended question responses.

It's important to include open-ended questions in your NPS surveys so clients can explain their choices. You can see the impact of open-ended questions by responding to the survey below.

While most suggestions won't be implemented, look for repetitive requests. If you see a pattern, it's time to act! Consider adding the features your clients request or fixing the elements they complain about.

3. Segment customer responses.

Don't wait any longer to segment your customers. Running targeted campaigns will be easier when you categorize your customers. Track answer distribution across segments and look for patterns. You might discover that your biggest promoters are high-level marketers, whereas your biggest detractors are tech leaders if you measure NPS for B2B SaaS. Investigate the reasons behind their opinions to better understand your customers.

To determine a respondent's segment, ask additional demographic questions in your survey. Screver integrates with CRMs for instant client data.

4. Keep track of progress.

Keep an eye on your NPS score over time to better predict your growth. Comparing responses over time allows you to discover fluctuations. After gathering a lot of data, you can investigate the reasons for your gains and losses. CES and CSAT surveys can complement your NPS results¹.

5. NPS survey questions

The NPS survey consists of two parts - the first part asks "How likely are you to recommend us to friends and family?" The second part is usually an open-ended NPS question which seeks to explain why the score is as it is. It's a great thing.


NPS questions hit the bull's eye for quantitative scores, while follow-up questions help you understand why, which is crucial for taking action. As a result, NPS Survey provides both quantitative (score) and qualitative feedback (reason for score).

1. How to Measure CSAT to Boost Your Business | Screver. Available at: <https://screver.com/resource-center/how-to-measure-csat-to-boost-your-business/>

NPS: Formulate open-ended questions depending on the score

How likely are you to recommend us to a partner or colleague?

Left caption: Not likely at all 0 10 Right caption: Extremely likely

 Promoters Answered 9-10	What did you find most valuable? Type here...
 Passives Answered 7-8	What can we improve on? Type here...
 Detractors Answered 0-6	What was missing or dissapointing in your experience with us? Type here

Open-ended questions can be powerful. Sachin Rekhi², former Director of Product at LinkedIn, argues that “the most actionable part of the NPS survey is the categorization of the open-ended verbatim comments from promoters & detractors.” If you run an NPS survey, consider asking follow-up questions to get more detailed insights, such as:

What do your promoters enjoy most about your product?

What is the root cause of detractors' dissatisfaction?

What would your respondents add to your product if they could?

By skipping questions and segmenting users based on previous answers, you can create different paths for respondents. Use skip logic to ask only highly relevant questions and shorten your surveys.

Ask different follow-up questions to all three respondent groups (promoters, detractors, passives) to get more precise insights that you can act on right away by categorizing responses. Screver's skip logic applies to all question types in your email, link, website, and in-product surveys, making it the most advanced survey logic available.

6. Some tips for NPS surveys



Get feedback into action

Measuring NPS isn't enough. Based on your findings, take action. Observe NPS fluctuations and analyze positive and negative feedback. Close the feedback loop with your customers to make sure they know you listen to them. The only way to create a customer-centric company is to improve the customer experience¹.



Leverage promoters

Many companies focus on improving the shortcomings of their detractors, but it's a mistake. Promoters have explicitly told you that they're likely to recommend your company, so why not make it happen? Ask your promoters to leave a testimonial, offer a referral program, and more.



Keep measuring

You can only trust your NPS score if you keep measuring it. Track unexplained variations and see how your customers feel about the changes you make in real-time. Run the NPS survey regularly (once or twice a year for large customers) and compare the results.



Analyze to produce benchmarks

Report your results easily and use data breakdowns to act on feedback. Create benchmarks, track results across segments, and prepare NPS-centric metrics using the right NPS tool².



Conduct NPS surveys at the right time

Don't bombard your customers with questions. Integrate NPS surveys with customer journeys and show the survey after meaningful interactions with your company. Choose clients who have already experienced your service, and keep your surveys short and sweet to avoid survey fatigue.

1. *Creating a customer-centric company: Six paths to learning*. Bain. Available at: <https://www.bain.com/insights/creating-a-customer-centric-company-six-paths-to-learning-business-day/>.

2. *Finding the Best Survey Tool for Your Business* | Screver. Available at: <https://screver.com/resource-center/finding-the-best-survey-tool-for-your-business/>.



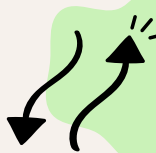
Fix the most common problems pointed out by detractors

Assign negative feedback to the appropriate stage of the customer journey. Run a transactional NPS survey to see which experience scores the lowest, and then fix your weakest points.



Quickly react to feedback¹

Don't ignore your detractors. Compensate your clients as soon as possible to avoid negative online reviews. Use notifications and alerts, such as those on Slack, to help your customer support team respond quickly when a low score appears.



Use skip logic to ask relevant questions

With survey logic, you can choose which questions respondents see. Asking a detractor about their favorite part of your product makes no sense, for instance.



Make changes consistently

NPS survey can be tweaked and tested to maximize response rates, but don't introduce too many changes at once. One change at a time ensures that your results are comparable.



Use NPS as a company-wide KPI

The NPS is based on every customer interaction that your company has with them and represents the overall health of your customer relationships. This is why every department should take note of it.

You can use team NPS results by:

1. Embracing it as a core metric. Use it as a growth signal and motivator.
 2. Giving relevant feedback to relevant teams. If someone complained about your customer service, they should be informed and improve. It's the only way to close the feedback loop.
 3. Giving all teams access to NPS results. Feedback should be accessible without a monthly report. It's easy to do with Screver.
-

1. Voice of Customer | Screver. Available at: <https://screver.com/resource-center/voice-of-customer/#:~:text=of%20doing%20things>.



Summary:

- NPS measures customer satisfaction by asking: “How likely are you to recommend [company X] to a friend or colleague?”.
- Scores are based on a scale of -100 to +100. To calculate NPS, subtract the percentage of detractors from the percentage of promoters.
- NPS measures company growth. It can predict how many customers will remain loyal to your brand. More referrals and recurring customers mean a better bottom line.
- Adding open-ended questions to your NPS surveys is recommended. Ask your clients what they liked, what they disliked, and what you could improve to really impress them. Staying on top of customer feedback will help you keep your audience happy.
- Make sure to measure NPS regularly and continuously. This will help you set up NPS-related goals and take action to improve customer satisfaction. If you don't analyze survey data correctly, you're shooting blanks.

NPS programs by Screver

Take action by identifying your promoters and detractors and understanding the key drivers behind your score.

Use a variety of channels to collect feedback, including websites, email, SMS, and mobile.

Integrate feedback into your customer experience and view your customer experience holistically.

Analyze real-time data to identify key drivers and improvement areas.

Get feedback

Learn about our expert CX guidance programs. Contact us today to discuss the right services for you.

Ready to get started?