



NPS[®]: The ultimate guide to “The Ultimate Question”

How to collect and act on the #1 brand loyalty metric



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Visit cx.surveymonkey.com to see what NPS can do for your business

Your guide to the most reliable, widely-used brand loyalty metric

Collect customer feedback? That's a great start! We found [83% of businesses](#) who describe themselves as "successful" measure customer satisfaction.

In fact, [research](#) published in the Harvard Business Review shows just the act of asking customers for their feedback makes them happier—and can increase their likelihood of shopping with a brand again.

But if you're like many companies who listen to customers, it's probably not enough. Why?

You miss the big picture. Customer comments can help. But they're not easy to quantify. Tracking performance, monitoring satisfaction trends, and benchmarking against peers is tough.

Silence isn't golden. Your most vocal customers are often those with extremely high or low opinions of your brand. How do you tap into that silent majority if they're not responding?

It's not actionable. Listening to customers is just the first step. With more businesses personalizing the customer experience, you need a scalable way customize follow-up care.

Enter the industry standard for measuring customer satisfaction and loyalty:

The Net Promoter Score (NPS). NPS is a powerful metric that helps companies, large and small, meet those challenges to grow their business.

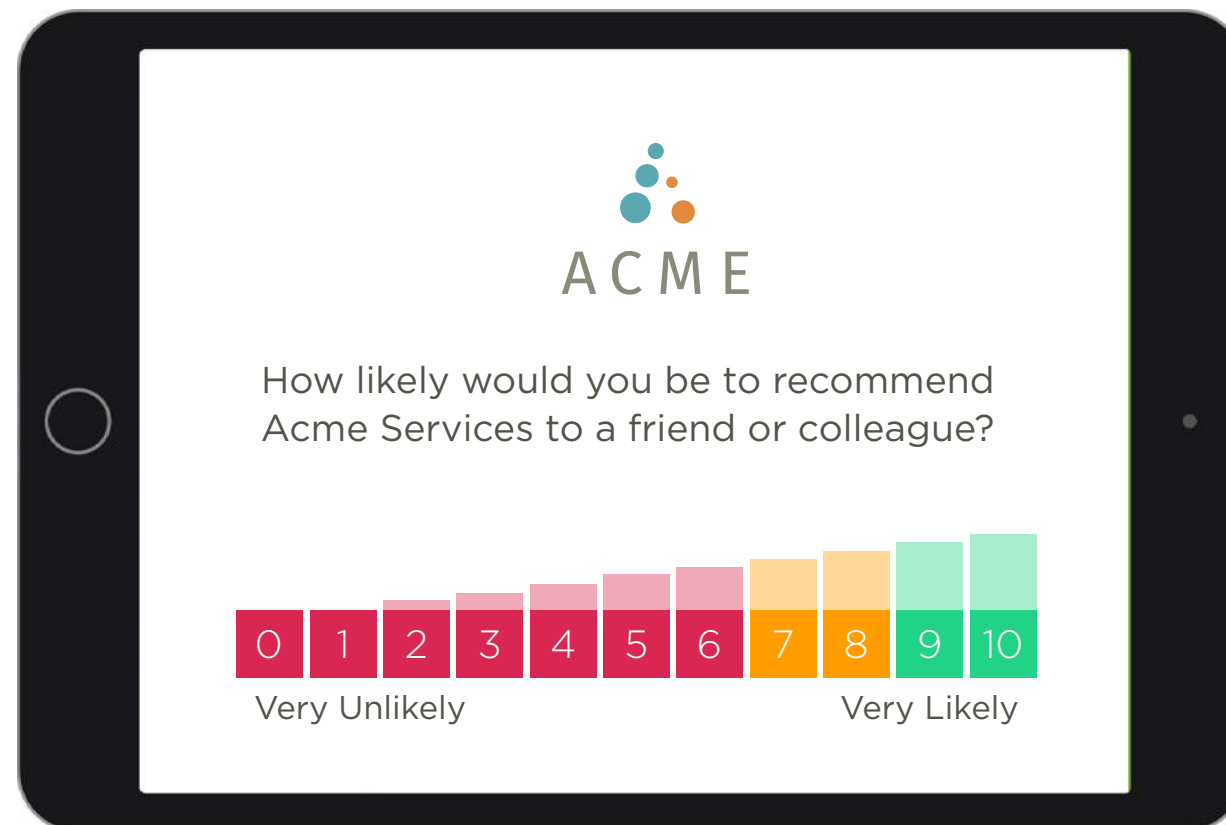
In this guide, you'll learn about NPS, how it works, and get practical advice for using NPS surveys to make targeted improvements to your customer experience.



First things first: What's NPS?

The NPS survey question

When you send the NPS survey to your customers, you're turning the concept of brand loyalty into a solid number you can measure and track over time. Here's an example of NPS in action:



How NPS works

First, customers give you a rating from 0 (very unlikely to recommend) to 10 (very likely to recommend). Then they're broken into 3 groups: Detractors, Passives, and Promoters.



Detractors
0 - 6

Unhappy customers who can hurt your brand through negative word-of-mouth



Passives
7 - 8

Satisfied but indifferent customers who could be swayed by the competition



Promoters
9 - 10

Loyal customers who will keep buying and referring others

Your final score is expressed as a whole number from -100 to +100 and indicates how well (or not-so-well) you're doing when it comes to customer loyalty and satisfaction. Up next: How to calculate your NPS.





Achieving sky-high ratings with NPS

“ SurveyMonkey helps us conduct the NPS survey on an ongoing basis. We use customer feedback to affect how we evolve the airline going forward. ”

Phil Seward, Director of Loyalty, Virgin America



How to calculate your NPS

The basics: Calculating your NPS



The good news

Calculating your NPS is easy!



The even better news

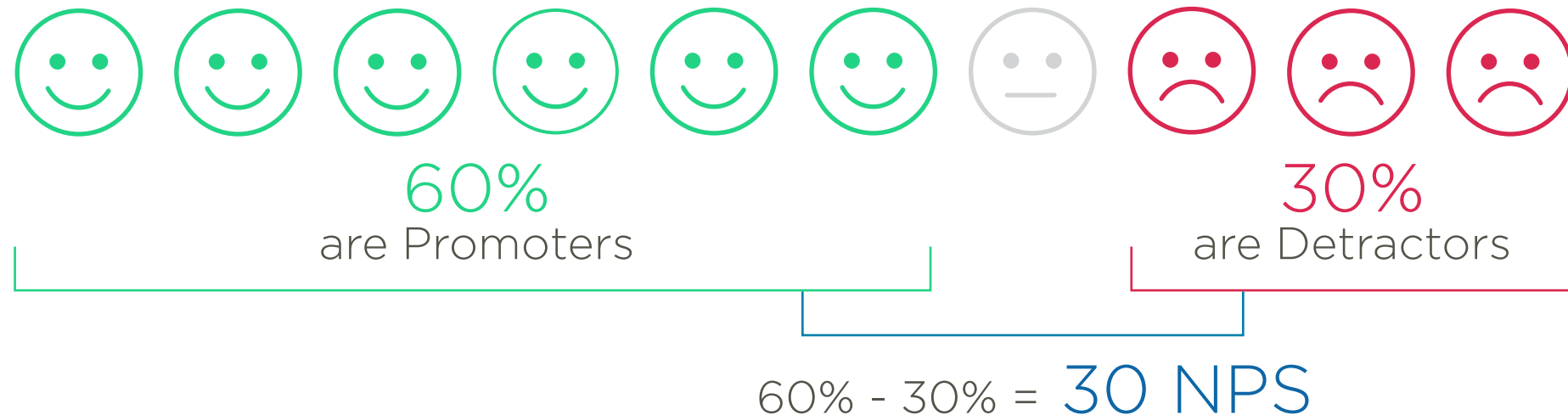
If you use SurveyMonkey's NPS question, we [automatically calculate your score](#).

The basic premise of NPS is that your Passives (those who give you a 7 or 8 rating) are not helping your brand—but they're not actively hurting you either. So their ratings are not factored into your score.

Keep reading for an example of how to calculate your NPS.

The NPS formula and calculation

To get your NPS, simply subtract the percentage of your Detractors from the percentage of your Promoters.



How we did it

Imagine you send your survey to 200 people and 150 give you an answer (that's great!)

45 people are Detractors (0 - 6 rating)
15 people are Passives (7 - 8 rating)
90 people are Promoters (9 - 10)

1. Calculate the percentages for each group
 $45 \text{ Detractors} / 150 \text{ Total Respondents} = 0.3 \times 100 = 30\% \text{ Detractors}$
 $90 \text{ Promoters} / 150 \text{ Total Respondents} = 0.6 \times 100 = 60\% \text{ Promoters}$

(Psst: You guessed it. This means the remaining 10% are Passives but remember—they're not factored into your calculation.)

2. Now determine your Net Promoter Score
 $60\% \text{ Promoters} - 30\% \text{ Detractors} = 30\%*$

*Because NPS is expressed as whole numbers (from -100 to +100) your 30% means your NPS is 30.



Although a “good” NPS varies by company size, industry, and location, the higher your score, the healthier your company is.



5 reasons why NPS works

A blurred, blue-tinted photograph of a crowd of people walking in a modern, brightly lit space, possibly a mall or office lobby. The motion blur gives a sense of a busy, active environment.

1. It taps into the silent majority

Remember—**not every customer is going to go out of their way to tell you what they think.** Sending them a quick NPS survey through an email or your app is like getting your foot in the door. You're not asking for much, and you show you care about their experience.



2. It helps you track performance

Once you've got your NPS, you can **set an initial benchmark, then repeat the survey regularly to see whether your score is moving in the right direction.** Did your NPS go up or down after your latest feature release? Monitor your NPS data to take action faster before your ratings fall.



3. It gives you a better perspective

Tracking your progress is important, but you also need to know where you stand in relation to other companies and organizations. **Because NPS is one metric, you can easily compare your score against your peers.**

If your NPS is 41, for example, how do you know whether that's good or bad? Although it's “only” 41, you'd feel pretty good about it if you knew you were in the 99th percentile compared with others in your industry.



4. It's concise yet personal

Our [research](#) shows **shorter surveys often lead to more thoughtful responses and more survey responses in general**. Plus, it's an easy way to send targeted follow-up questions to customers based on their satisfaction level, so you can personalize their experience.



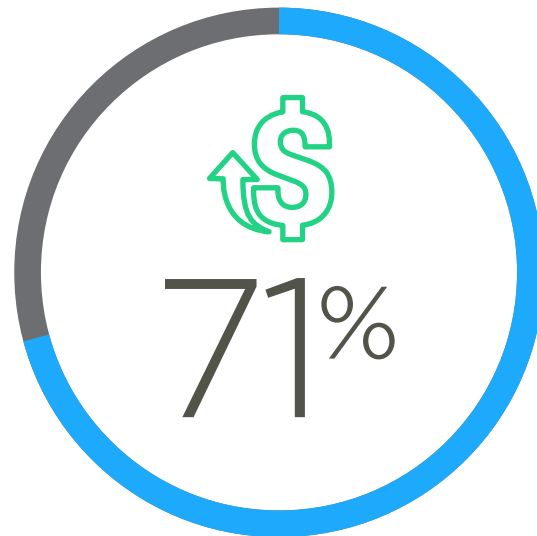
5. It creates organizational alignment

NPS creates visibility around company performance and helps everyone, from C-level execs to sales reps, stay on the same page.

Your marketing, product, sales, and customer success teams can use NPS to track and monitor company progress, justify spend, and understand the true impact of their efforts.

Survey says: NPS is good for business

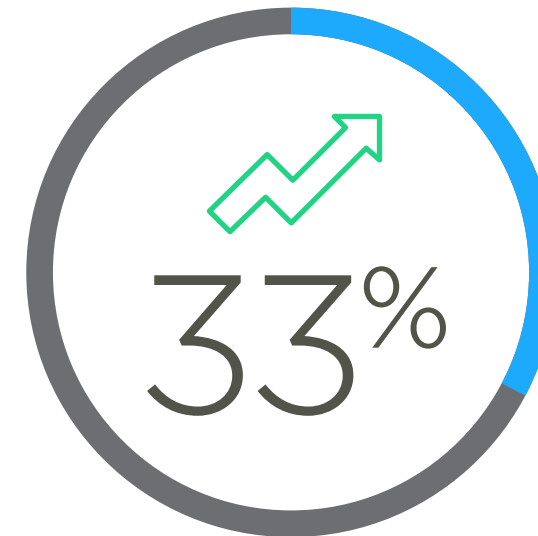
We surveyed more than 600 businesses and found of those who use NPS...



say it's very valuable to their company



view themselves as very or extremely successful



are more likely to report growth rates over 10% each year



How growing companies use NPS to stay relevant



Nextdoor is a private social network for neighborhoods that lets people connect with their neighbors to do things like organize a community crime watch or get plumber recommendations.

Lindsey Buich, a Product Specialist on Nextdoor's Neighborhood Operations Team, leads Nextdoor's efforts to track customer satisfaction.

"Nextdoor is committed to delighting our members," says Buich. "Surveys are the way we track whether we are meeting this commitment and a critical tool for helping us understand how we can do better."

Every week, Nextdoor sends an NPS survey to a portion of their user base. They use the data in the survey to understand their member experience and inform their product roadmap. Over time, they've been able to see the impact of a feature update on their NPS.

"We learned a huge amount from our NPS survey—from understanding the 'critical mass point' at which Nextdoor becomes truly useful in a neighborhood to learning how differently Nextdoor members are experiencing the product in different cities. **It's been a goldmine for insights about the member experience that is having a major impact on our product roadmap."**

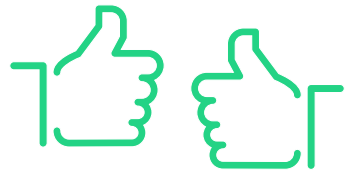


Using NPS to improve the customer experience

There's more to your NPS than just scoring overall customer satisfaction. Once you've identified your Promoters, Passives, and Detractors through your NPS survey, you can sync into your CRM and automate triggers to personalize follow-up actions. Here's how.



Thanking your biggest fans: Promoters (scores of 9 or 10)



Promoters are repeat customers who are most likely to recommend you to friends and family. In fact, research suggests **Promoters may account for up to 80% - 90% of all referrals!** Make sure they know you appreciate their loyalty.

- Figure out what you're doing right so you can keep it up. Ask the follow-up survey question: "What does our company do really well?"
- Thank them for their business and invite them to participate in a customer referral program.
- Ask them to go on record. Your most loyal customers love you. Follow up to see if they'll give you a testimonial or case study that'll boost your social proof.



Keeping them on your side: Passives (scores of 7 or 8)

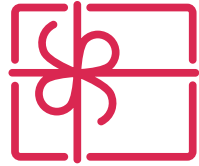


Passives may seem relatively happy but **with the right amount of sweet talk, they could leave your company for the arms of a competitor.** Your mission: Make them fall in love with your brand.

- Find out what can give you the competitive edge. Ask the follow-up survey question: “What changes would our company have to make for you to give us an even higher rating?”
- Give them a reason to stay by inviting them to participate in a customer loyalty program.
- Personalize outreach. Send a follow-up email or even give them a call to show them their happiness is important to you—just make sure you’re really listening!



Winning them back: Detractors (scores of 6 or less)



Detractors are actively unhappy customers who may even be angry about their interactions with your company. Far from bringing you referrals, the **customers in this category may avoid you in the future—and encourage others to do the same.**

- Learn what you need to do to improve, fast. Ask the follow-up survey question: “What changes would our company have to make for you to give us a higher rating?”
- It’s very important to apologize, with empathy, for your customer’s experience.
- Offer a way to fix or mitigate their problem. If a solution isn’t feasible, explain to the customer why and what you’re doing to fix it in the long term.

A less-than-stellar score? Don’t despair. **Customers can quickly flip from Detractor to Promoter with the right kind of targeted attention.** So look at each rating as a way to gain important insights that’ll help your business thrive.



Bigger than a question, more than a score

Collect NPS data at every touchpoint to gain
business insights and the competitive edge.

[Learn more](#) →