

DRAFT

2019-20

# NPS Customer Loyalty Report

Traits of CX Leaders



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# Introduction



Companies everywhere are recognizing the importance of customer experience (CX) as customers' expectations continue to increase. More and more businesses are discovering the value of customer loyalty and its direct ties to revenue, and a massive shift in focus has begun over the past few years. It's expected that 40% of all data collection projects will relate to CX by 2020. When 60% of customers are willing to pay more for a better experience, you need to be sure your performance is keeping up with your competitors. But how do you quantify and track your progress in something as intangible as a "premium" experience?

At Listen360, we work with over 40,000 businesses to better engage their customers via feedback in real time. All of that incredibly valuable feedback gave us a great idea. We recently analyzed 8 million responses across those 40,000 businesses to see how they're meeting the growing demand for excellence and quantifying business relationships. In addition, we surveyed and examined the practices of 166 unique brands to see how they're using the Net Promoter System<sup>®1</sup> and other CX strategies. With this report, you will be able to see how your organization stacks up to the leading brands and how you can improve your CX efforts with the best in class practices and NPS.



## In this report, you will learn:

- The most common drivers of business growth
- How your peers will prioritize their CX efforts next year
- The benefits of benchmarking NPS and where you rank
- How to implement CX practices and strategies to improve your business

<sup>1</sup>Net Promoter System is a registered trademark of Bain & Company, Inc., Fred Reichheld and Satmetrix Systems, Inc.

## Methodology

Let's break down this report. The purpose of this venture was to understand which practices are the driving force behind customer loyalty, and we wanted to go big picture with it. We didn't just survey our own customers; we enlisted some help so we could fully understand the scope of contemporary customer feedback efforts. Our report contains two important data sets:

- One comes from the Mozaic Group<sup>2</sup>, an independent market research firm that analyzed survey responses from C-suite executives of popular multi-location businesses. The surveys were distributed digitally in the Spring of 2019, contained 45 questions, and took an average of 10 minutes to complete. Of those surveyed, 166 brands completed the survey with an 80/20 split between Listen360 customers and non-customers, respectively.
- The second data set comes from Listen360's certified NPS data. We took a look at 8 million survey responses from customers of 40,000 different businesses across the nation over a 12-month period. The findings enhanced our insights into best practices and were well worth the deep dive.

Altogether, this information provides us with a window into the world of customer experience, retention, and overall brand loyalty.

<sup>2</sup> Mozaic Group has conducted research on behalf of a long list of inspiring companies including Microsoft, Facebook, Adobe, and Google to tackle their important research challenges.

# Business Growth and Priorities

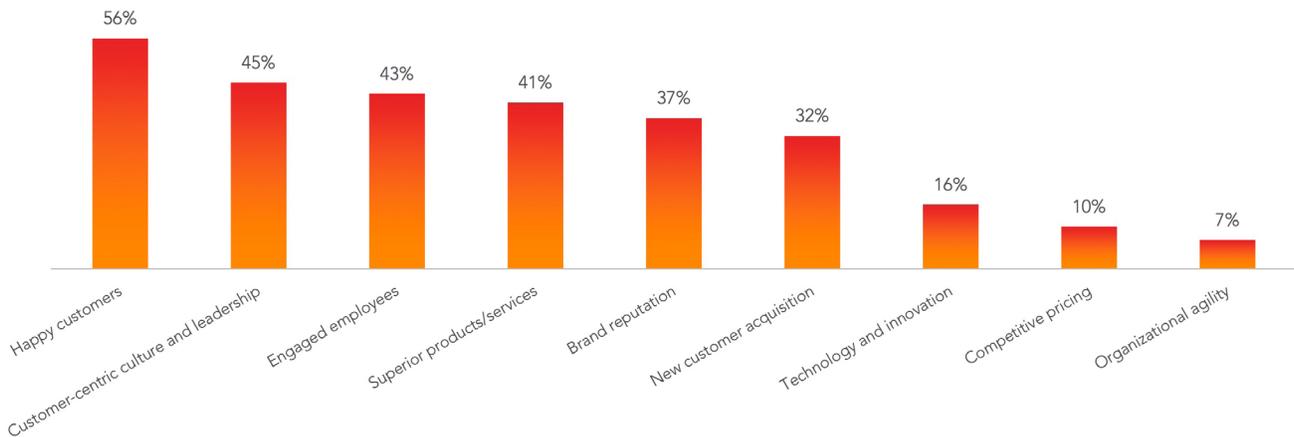


To first get an idea of what businesses are and should be focusing on most, we took a look at business growth drivers and priorities for 2019-2020. It was no surprise that “happy customers” was at the top of the list for creating growth, and it was clear that companies plan on increasing customer loyalty as a top priority in the next year.

## ‘Happy customers’ is the top driver of business growth.

Secondary drivers of business growth include customer-centric culture and leadership, engaged employees, and superior products/services.

### TOP DRIVERS OF BUSINESS GROWTH

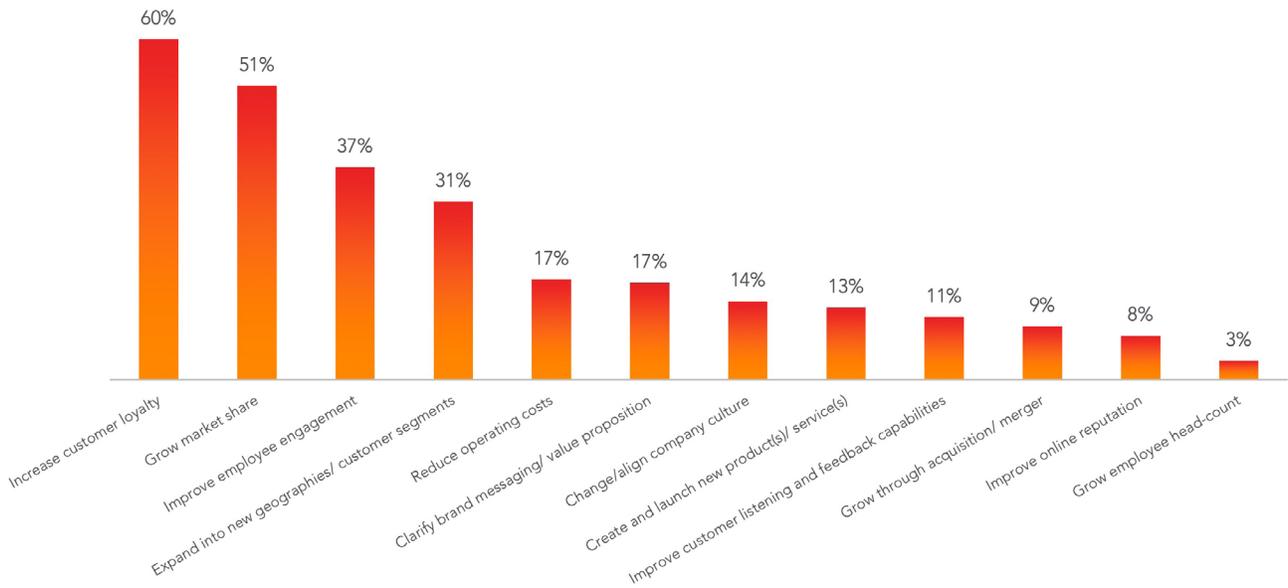


Q33: Which of the following would you say are the top drivers of business growth for your company? ‘Other’ and ‘Don’t know’ are excluded from the chart.  
Base: All respondents. n=185.

**Increasing customer loyalty is the most important priority for 2019-2020, followed by growing market share.**

Employee engagement also ranked highly as more than one-third indicated it as a priority. Creating happy customers and happy employees are trending goals.

**MOST IMPORTANT GOALS AND PRIORITIES FOR 2019-2020**



Q34: What are the most important goals and priorities for your company in 2019-2020? 'Other' and 'Don't know' are excluded from the chart.  
Base: All respondents. n=183.

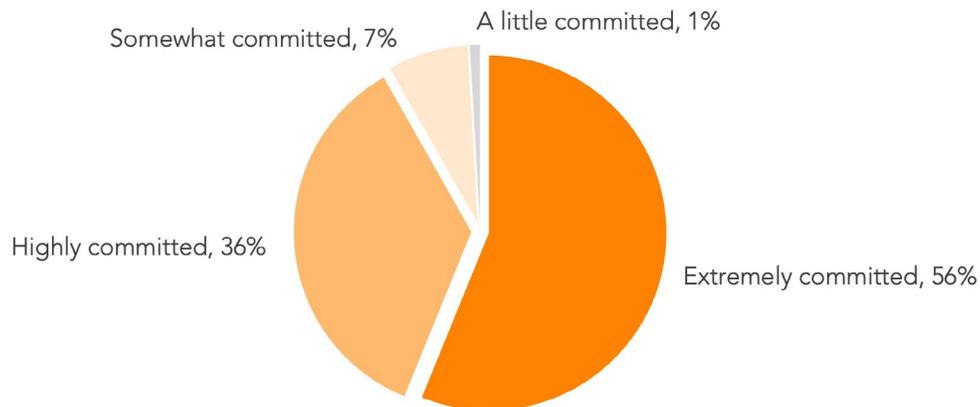
# Customer Experience Strategy and Approach



Next, we wanted to see exactly how invested these businesses were in promoting growth through delighting customers and how they're doing it. It turns out that 92% are either "highly" or "extremely" committed to providing a superior CX. In addition, higher performing brands are more likely to indicate that they are extremely committed to providing a superior customer experience.

**Nearly three out of five businesses are 'extremely committed' to providing a superior customer experience to their customers.**

## COMMITMENT TO PROVIDING A SUPERIOR CX



Q2: How would you rate your company on its commitment to providing a superior customer experience to its customers?  
Base: All respondents. n=219.

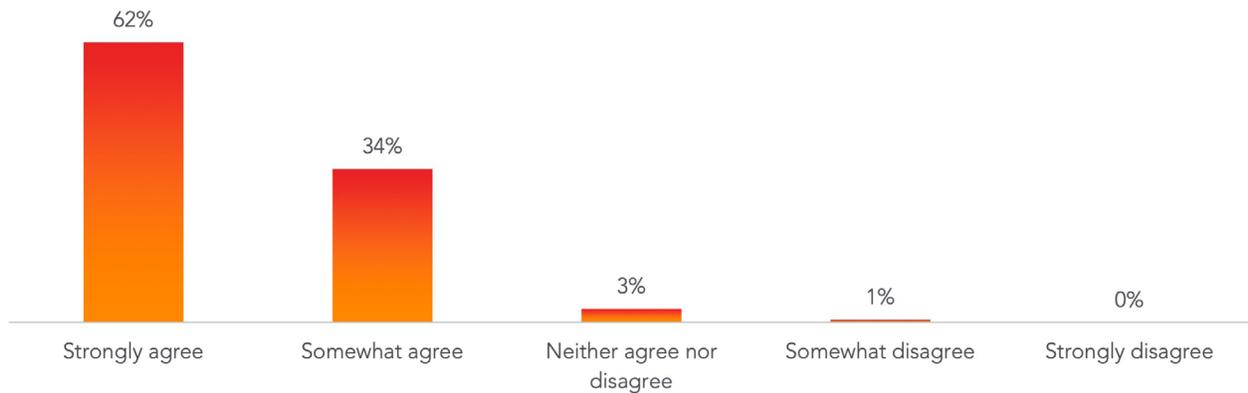
Despite 92% stating that they are “highly” or “extremely” committed to providing a superior CX, only 62% are confident that they have a customer-centric culture.

**62% 'strongly agree' they have a customer-centric culture.**

A customer-centric culture correlates with being extremely committed to providing a superior CX, as well as higher performance (as measured by brand NPS and Google star rating).

**COMPANY HAS A CUSTOMER-CENTRIC CULTURE**

Answered by Listen360 Customers only



Q4: How much do you agree that your company has a truly customer-centric culture?

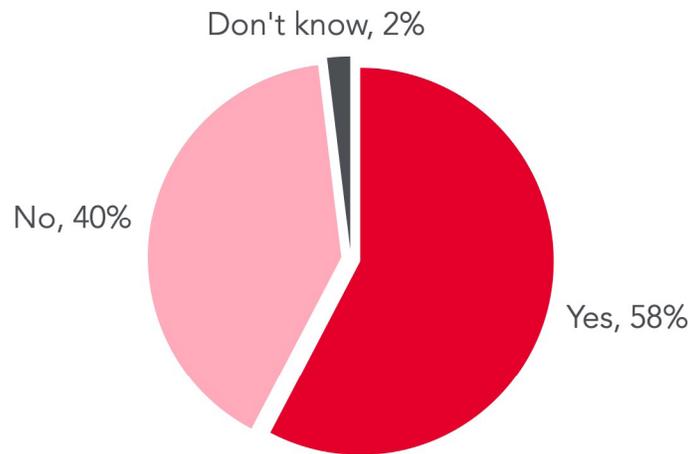
Base: Customers only, n=167.

That being said, only 58% of non-customers say that they have a formal CX strategy. Very surprisingly, 40% reported having no established CX strategy whatsoever. This marks a massive gap between the 92% reporting a commitment to a superior CX and those who are actually taking steps towards it.

58% of non-customers say their company has a formal CX strategy.

### COMPANY HAS A FORMAL CX STRATEGY

Answered by non-Listen360 customers only

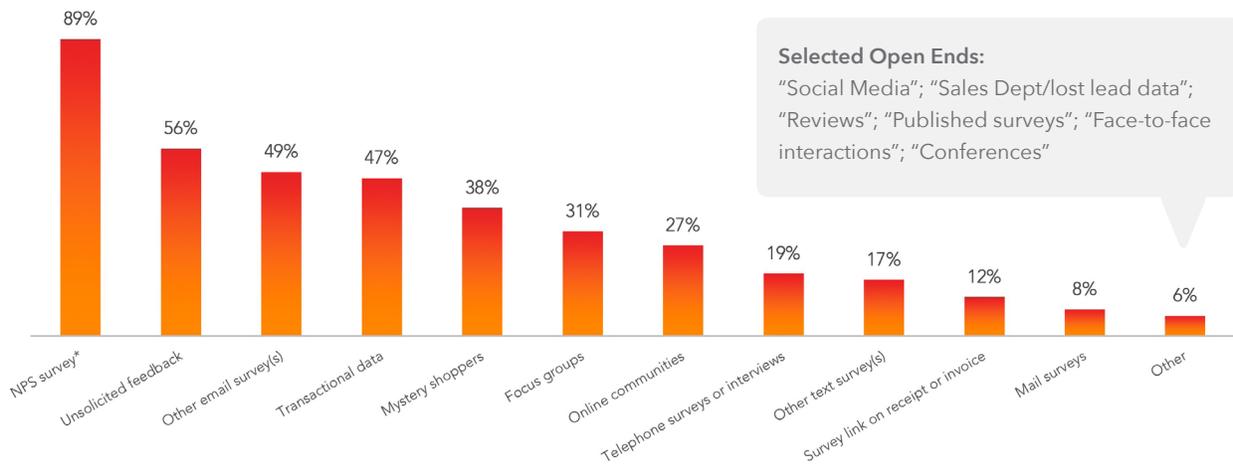


Q39: Does your company have a formal Customer Experience (CX) strategy?  
Base: Prospects only. n=52.

Of those who do have a CX strategy in place, NPS is the most common method for collecting insights, followed by unsolicited feedback and other forms of email surveys.

NPS/email surveys, unsolicited feedback, and transactional data are the most common ways of collecting CX insights.

### METHODS USED FOR COLLECTING CX INSIGHTS, INTELLIGENCE, AND FEEDBACK

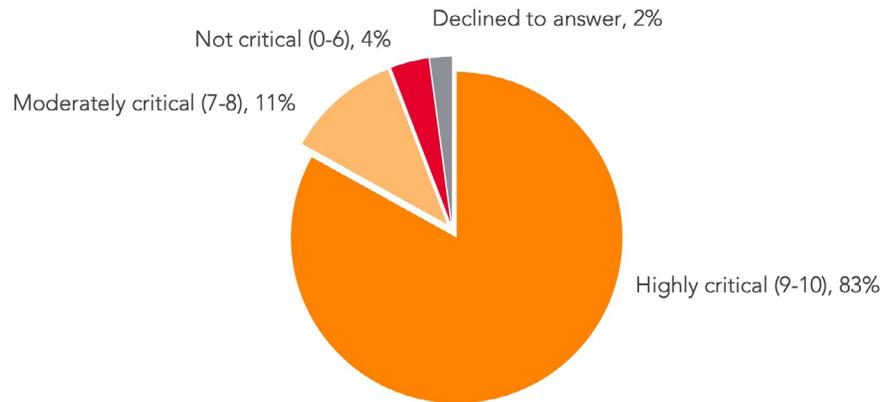


Q5: Please indicate all the ways that your company collects insights, intelligence, or feedback on the customer experience. \*Asked as 'Listen 360's NPS survey' in the Customer survey, and as 'Net Promoter Score (NPS) survey (text or email)' in the Prospect survey.  
Base: All respondents. n=213.

Regardless of the method, the importance of gathering intelligence from customers can't be denied. A whopping 83% indicated that customer feedback is crucial to their businesses. This reinforces the trend towards increasing feedback and CX efforts in 2019 and 2020.

A majority indicate customer feedback is highly critical to their business success.

### HOW CRITICAL CUSTOMER FEEDBACK IS TO BUSINESS SUCCESS



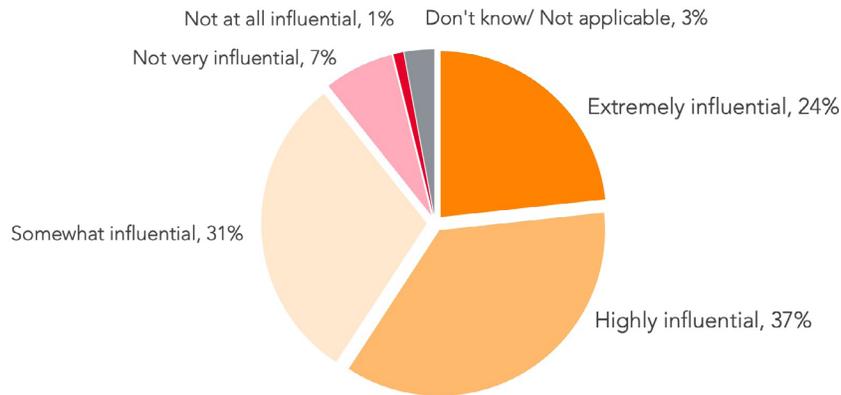
Q0: How critical is customer feedback to the success of your business? Condensed from a 0-10 scale.  
Base: All respondents. n=189.

With such an emphasis on the importance of customer feedback, it's not surprising that more than half of the respondents say customer feedback is "highly" or "extremely" influential in their decision making.

## Customer feedback influences strategic decision-making.

One in four say customer feedback is 'extremely' influential on strategic decision-making at their company.

### INFLUENCE OF CUSTOMER FEEDBACK ON STRATEGIC DECISION MAKING



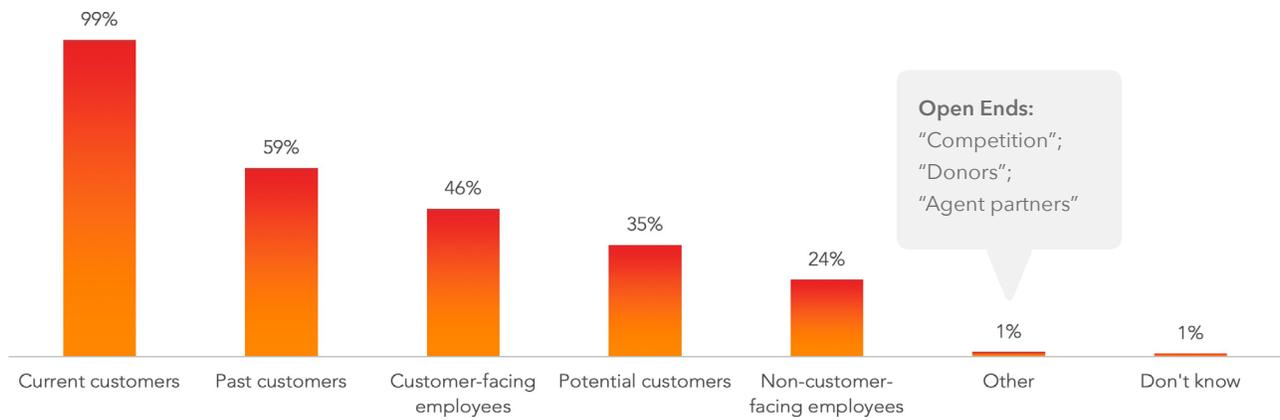
Q8: How influential is customer feedback (customer survey: from the Listen360 NPS survey) to strategic decision making at your company?  
Base: All respondents. n=200.

While the vast majority of companies are collecting feedback from current customers, an impressive 59% are gathering feedback from former customers as well. There is something to be said for breaking up customer feedback into different segments to examine the customer journey.

In addition to collecting insights from current customers, 59% of companies also collect insights from past customers.

Customer-facing employees are a source of insight on the customer experience for 46% of companies.

### FROM WHOM INSIGHTS, INTELLIGENCE, FEEDBACK ARE COLLECTED



Q6: From whom does your company collect any insights, intelligence, or feedback on the customer experience?  
Base: All respondents. n=213.

Surveying at different points in the customer journey allows businesses to identify:

### Practices to avoid or improve before, during, or after a service

**Feedback often reveals details about your CX that you might not have noticed otherwise.**

Customers often have strong opinions about things such as parking, scheduling, waiting times, employee behavior, billing, and other nuances of your service. Tweaking practices based on these responses can mean the difference between a loyal or a lost customer.

### Why former customers left and if there is a chance to win them back

**Did they leave because they moved or did something turn them away?**

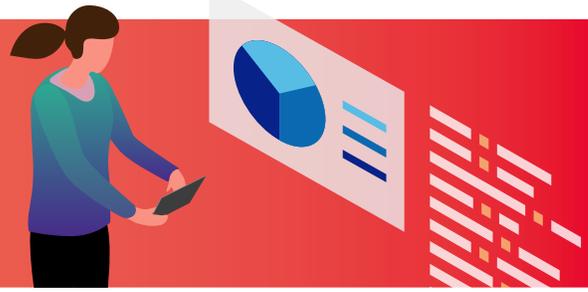
**Are they still at risk of tarnishing your reputation?**

### Potential to win future business from past customers or prospects who aren't quite ready to buy yet.

**A post-consultation promoter is far more likely to become a customer than a post-consultation detractor.**

Consider doing targeted marketing or sending special offers to this happy group.

# Benchmarking CX



## Why Use a Benchmark?

So, we've seen why customer feedback is important to so many businesses and how it fits into their organizations. Knowing this, you can benchmark your own information to learn how you relate to leading brands. Judging ourselves can be difficult sometimes, but data doesn't lie or pull any punches. Benchmarking will give you realistic, actionable goals to improve your standing in your industry.

- **Know Your Strengths and Weaknesses**

Taking a look at your peers will reveal the ways in which you're excelling and can provide insight on how to stay ahead. It will also show you where you're coming up short of the average. Defining both of these areas through an objective lens will make it easier to establish a new direction and let go of any practices that may have been detrimental.

- **Learn from the Best**

If Tiger Woods offered you some pointers on your short game, you'd probably take them. Right? Emulating the best in the biz certainly wouldn't hurt. Taking a look at what industry leaders are doing might help clear up some roadblocks you're hitting when it comes to innovation.

- **Win New Business**

Better practices translate to a better bottom line. We can all agree on that. But knowing where you stand in your industry goes so much further. Think of it as a sort of scoreboard that motivates your team and unites them in achieving a common, tangible goal.

## The #1 Metric for Benchmarking

It's clear that customer feedback is a major driver of growth and highly influential when it comes to business decisions and improving experience. So, why is it that almost half of businesses report having no formal CX strategy? For those who don't, they should. For those who do, NPS is the most highly adopted and ranked strategy. If you're unfamiliar with NPS, let's quickly review the basics you'll need to know in order to get value out of this section.

As we've seen, NPS is used by 89% of companies with a real strategy in place. Why is it so common? Because, like benchmarks, NPS is an excellent way to quantify key aspects of your business. You wouldn't be reading this report if you didn't value metrics and CX, and NPS marries the two perfectly.

So many companies are using NPS because it simplifies the question of how to understand how your customers are feeling. The time-tested method has proven its worth across a multitude of industries. Since its introduction in 2003, NPS has become the gold standard for measuring customer loyalty. Similar to the results of our study, more than two-thirds of the Fortune 1000 use the system as a KPI. They all see the value in setting clear, numeric goals tied to customer feedback and what it leads to:

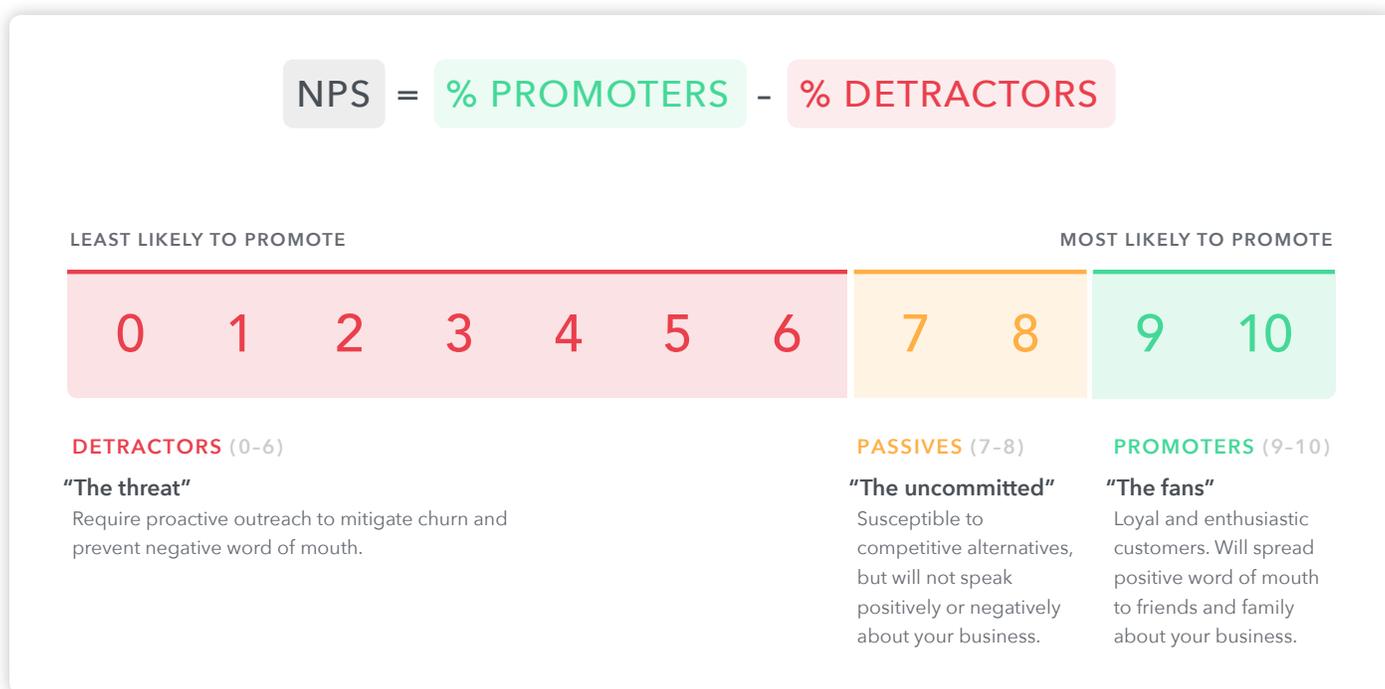
- Lower churn rates
- Growth in operational income
- More referrals and brand awareness
- Happier and more productive employees
- A healthier bottom line

It's as simple to calculate your own NPS as it is for your customers to respond to the question: "On a scale of 0-10, how likely are you to recommend our business to a friend or colleague?"

Respondents to this question are grouped into three groups that share a distinct set of characteristics and behaviors.

Your brand's NPS is then derived from this simple formula:

$$\text{NPS} = \% \text{ Promoters} - \% \text{ Detractors}$$



The score can range from a low of -100 (if every customer is a Detractor) to a high of 100 (if every customer is a Promoter).

Calculating your score will help you set goals and track your progress, but it can be difficult to assess how good your score is without context. That's where this benchmark comes in. A "good" NPS score is totally relative to industry and sector. An exemplary score for one business might be a poor score for another. It's important to gauge yourself against your peers to get a good idea of where you stand.

## What is a Good Net Promoter Score?

While NPS is used in every imaginable industry, not every score is created equal. Just like you don't have the same relationship with your barber as you do your auto mechanic, NPS advocates like Apple and Orangetheory Fitness have very different relationships with their customers. A good score in one industry does not necessarily translate to another.

That's where a benchmark comes into play. You need to get an idea of how your peers in your space are doing. We've broken down NPS scores by industry to more accurately portray how customers relate to certain types of businesses. Keep in mind, though, these brands are the best in class. So, if you're shooting for the stars, here they are.

# Net Promoter Benchmarks by Industry

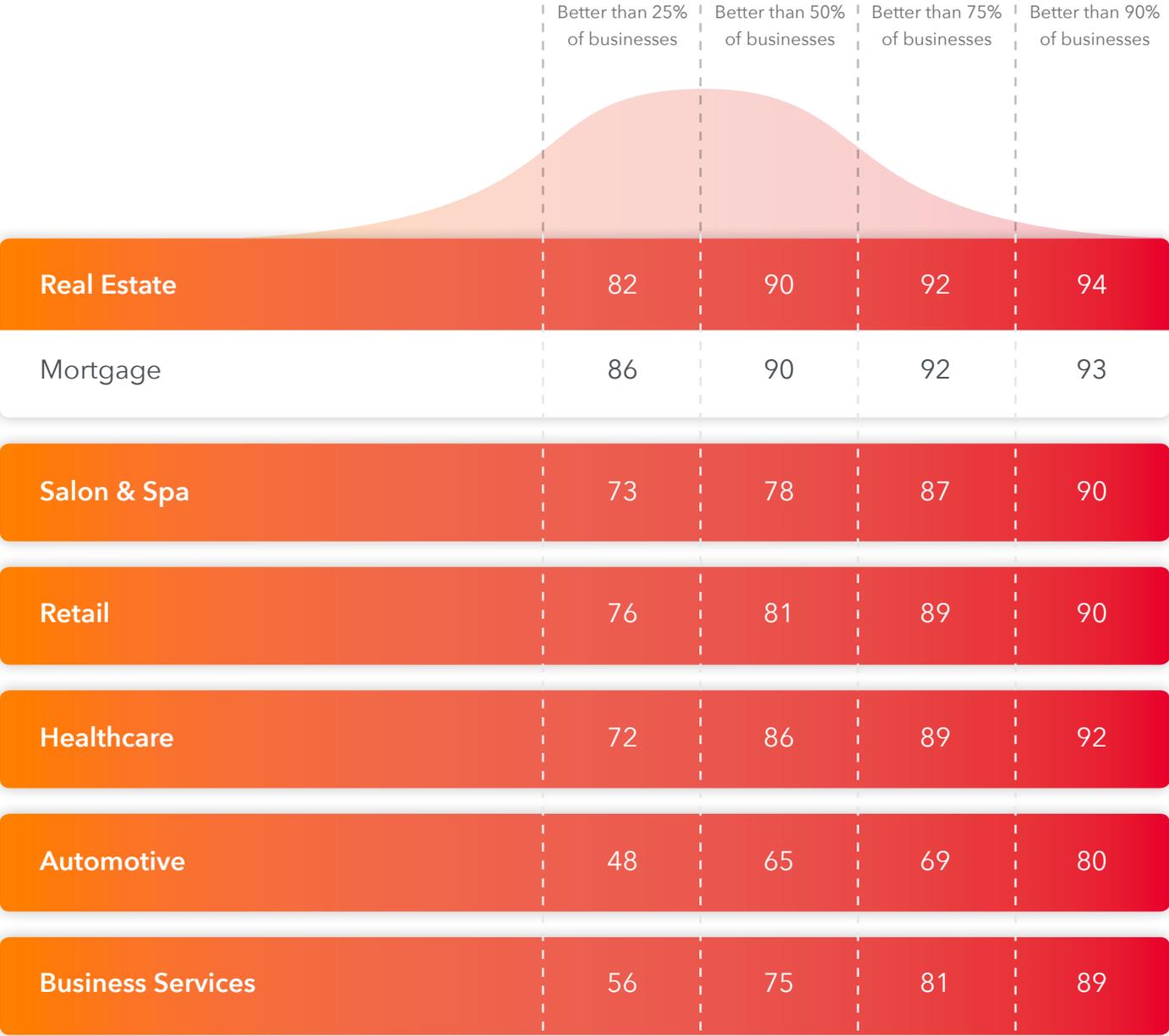
### Comparing Wisely

Keep in mind, these brands are the best in class. So, if you're shooting for the stars, here they are.

Better than 25% of businesses | Better than 50% of businesses | Better than 75% of businesses | Better than 90% of businesses

	Better than 25% of businesses	Better than 50% of businesses	Better than 75% of businesses	Better than 90% of businesses
<b>Child Services &amp; Youth Development</b>	71	73	82	86
Daycare	72	72	76	81
Extracurricular	69	74	84	87
<b>Fitness</b>	63	74	82	89
Gyms	45	59	73	75
Boutique Fitness	76	82	87	91
<b>YMCA</b>	64	68	79	74
<b>Home Services</b>	66	76	84	90
Home Improvement	74	79	83	88
Moving/Hauling	79	87	87	89
Pest Control	63	72	79	82

# Net Promoter Benchmarks by Industry Continued



## Improving your NPS

Now that you have a good idea of where your peers are and where you should be aiming, it's time to start working towards those goals. Here are the top 3 ways you can start improving your customer experience and NPS:

### 1. Follow up with detractors as quickly as possible.



#### **Detractors are not to be taken lightly!**

According to a study by American Express, customers will tell an average of 15 people about a poor experience while they will only tell approximately 11 people about a good one.

Not only does it cost more to generate a new customer than it does to keep an existing one, that lost customer will take plenty of potential business away as well. It pays to follow up and make things right as quickly as possible. By diligently closing the loop with these customers you may even turn them into some of your best promoters.

### 2. Mark trends in your feedback.



#### **When you're analyzing customer sentiment on a consistent basis, you can spot patterns in your customer's responses over time.**

You might discover game-changing details that otherwise would never have crossed your mind.

For example, a doctor's office dug into some patient responses and found that patients were upset that others who arrived after them were being seen first. While those later arrivals actually had earlier appointment times, other patients had no way of knowing. The office started displaying a patient schedule

in the lobby to show the order of appointments, and complaints dropped immediately. In fact, studies show that detractors become the most loyal and outspoken promoters of your business if you take the steps necessary to convert them. Monitoring NPS feedback can help you improve your business in ways you would never expect.

### 3. Coach your teams and share feedback.



**Happy, well-trained employees make for happy customers.**

Customer feedback can give insight into individual interactions your customers are having with your employees.

Not only can you address and correct behavioral or transactional issues with data to back it up, but you can share positive feedback to boost team morale. Some companies post positive customer quotes about their most recognized employees on social media every month as recognition. One CEO in particular will even personally call an outstanding employee each week to show appreciation.

# Collecting, Analyzing, and Reporting on Customer Feedback



It's time to get into the "who, what, when, where, why?" of a CX strategy. The idea sounds great, but where do you start logistically implementing something like this in your business? Let's take a look at how others are doing it to find out.

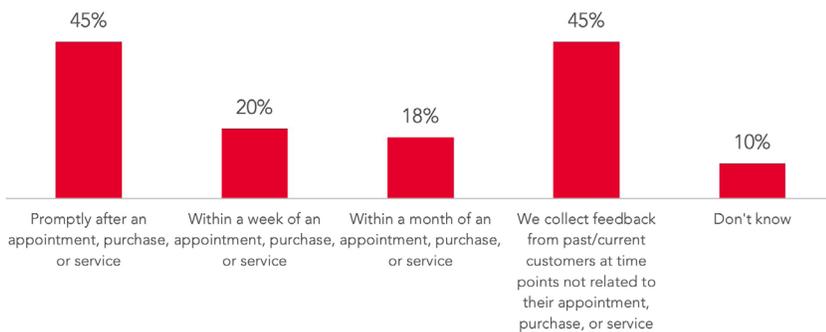
Let's start with the "when". Many businesses collect feedback at key points in the buying process and/or promptly after an interaction. While asking for feedback shortly after an appointment or service will naturally yield higher response rates, an additional 20% of respondents incentivize their customers to give them feedback. Based on your business type, it could be beneficial to have a strategy that includes the option of either method.

While you can see here what most people are doing, we have to stress that this is not one-size-fits-all for any best practice. Using a majority as a jumping off point will give you good direction. But it is crucial to constantly monitor and analyze feedback to better understand and pinpoint the crucial points in the lifecycle of your specific customers.

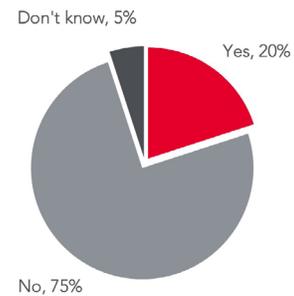
## 45% collect feedback promptly after customer interactions.

In addition, 45% collect feedback at time points unrelated to their most recent interaction. Only 20% of Prospects give incentives to customers to encourage their feedback.

### WHEN CUSTOMERS ARE ASKED FOR FEEDBACK



### INCENTIVES ARE OFFERED FOR FEEDBACK



Q41: At what point in the customer's journey do you ask a customer for their feedback?

Q42: Are incentives usually offered to your customers for their feedback?

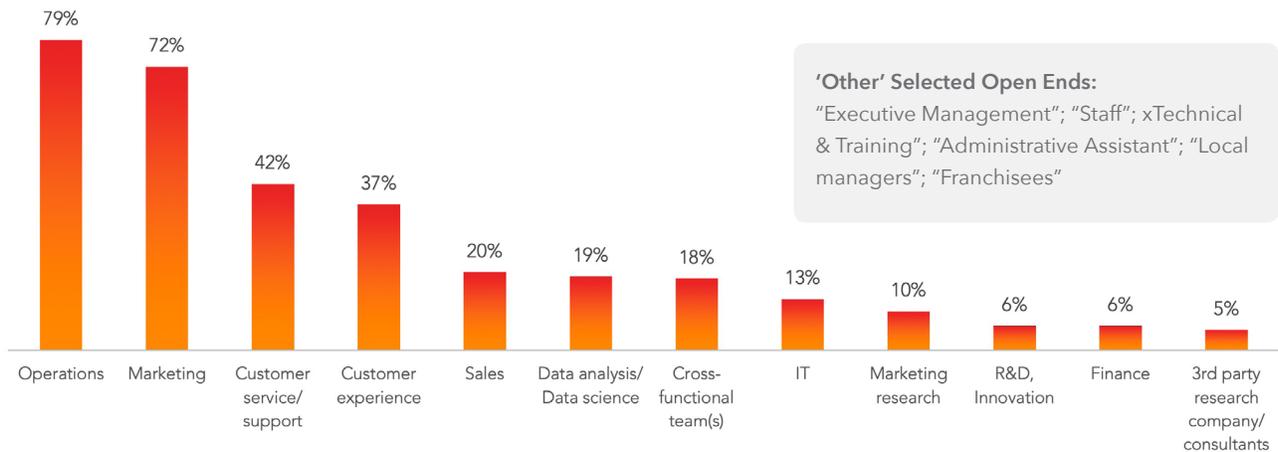
Base: Brands not using Listen360 only. n=40.

So, who should be responsible for the feedback process and the data it brings forth? The survey says that it will fall mostly to operations and marketing, and that makes sense. Operations should always want to know how to better and more efficiently serve customers, and happy customers are much easier to serve. As for marketing, why wouldn't they want to know about customers' perception of the brand? They can dig into what customers like about the business as a whole and amplify positive feedback to grow their brand's reputation.

## Operations & marketing departments primarily do the review, analysis & reporting.

Customer service/support and customer experience departments/teams are also involved.

### DEPARTMENTS/TEAMS RESPONSIBLE FOR REVIEWING, ANALYZING, REPORTING ON FEEDBACK



Q9: Which departments or teams are responsible for reviewing, analyzing and/or reporting out customer feedback (customer survey: from the Listen360 NPS survey)? Chart not showing 'Other' and 'Don't know'.

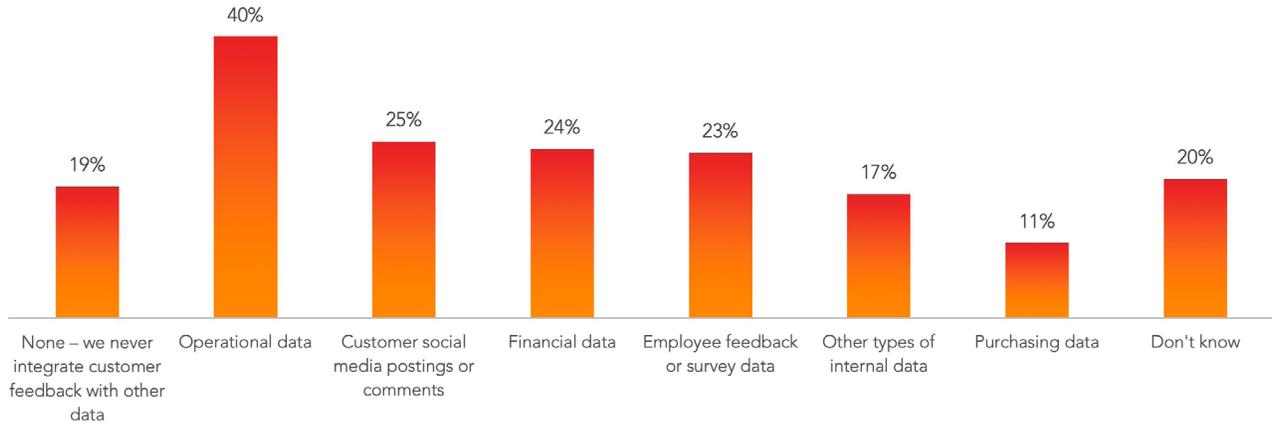
Base: All respondents. n=191.

While feedback is monumental, it's just one piece of the puzzle. Our survey shows that most companies are integrating feedback data with other data sets. Customer feedback is strongly correlated with things like operational data and profitability, so it's a good idea to pair feedback findings with other metrics to set better goals and measure progress.

## Most companies integrate other data with CX feedback data.

Integration of operational data is most common.

### OTHER DATA INTEGRATED WITH CUSTOMER FEEDBACK



Q10: Does your company ever integrate any of the following types of data with (customer survey: the NPS data collected via Listen360's survey) (prospect survey: customer feedback)?

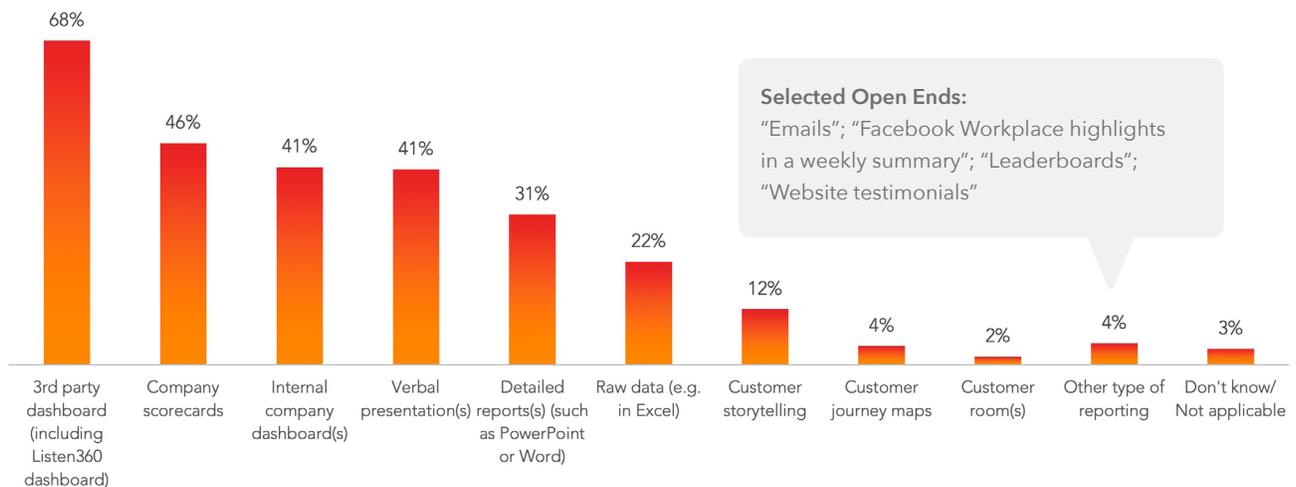
Base: All respondents. n=189.

While the idea of a customer feedback system seems pretty straightforward based on the trends in the data, there are a lot of moving pieces when it comes to logistics. The majority of companies use a 3rd party dashboard for feedback reporting. Consolidating and automating the process lets you focus on what matters most - executing strategies based on the findings.

Third party dashboards (including Listen360's dashboard) are used by 68% of companies for reporting out feedback.

Secondary reporting methods include company scorecards and dashboards, and verbal presentations.

### WAYS CUSTOMER FEEDBACK IS REPORTED OUT



Q14: How does customer feedback (customer survey: from the Listen360 NPS survey) get reported out?  
Base: All respondents. n=181.

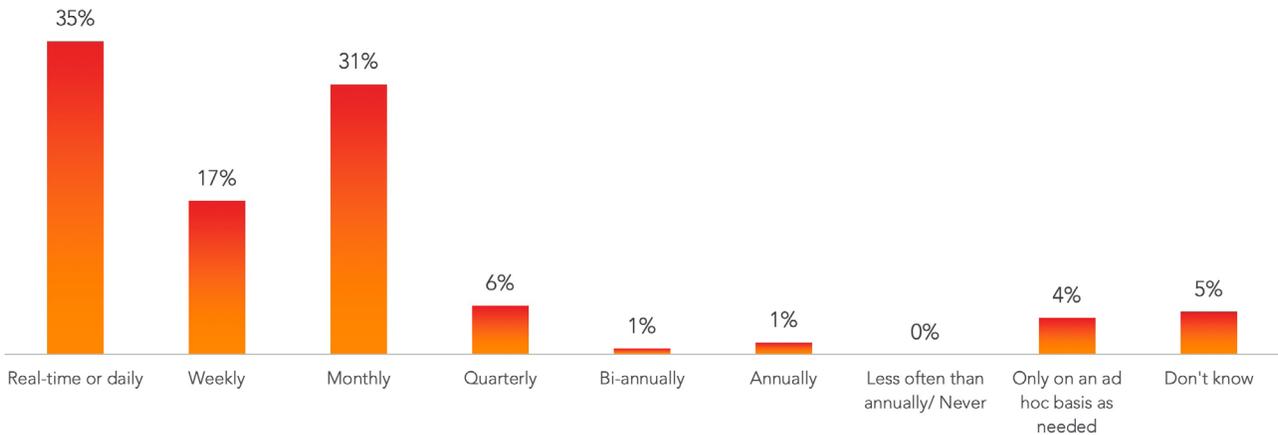
So how often should you be looking at this data? If you ask us, it should be all the time, and survey says: yes. The data shows that higher performing brands are more likely to analyze feedback on a daily basis or in real time rather than on a weekly basis. Diligence is key to pleasing your customers.

**It's most common to analyze & report monthly or more often.**

Higher performing brands are more likely to analyze and report in real-time or on a daily basis, rather than on a weekly basis.

**FREQUENCY THAT NPS SURVEY RESULTS ARE ANALYZED AND REPORTED OUT**

Answered by Listen360 Customers Only



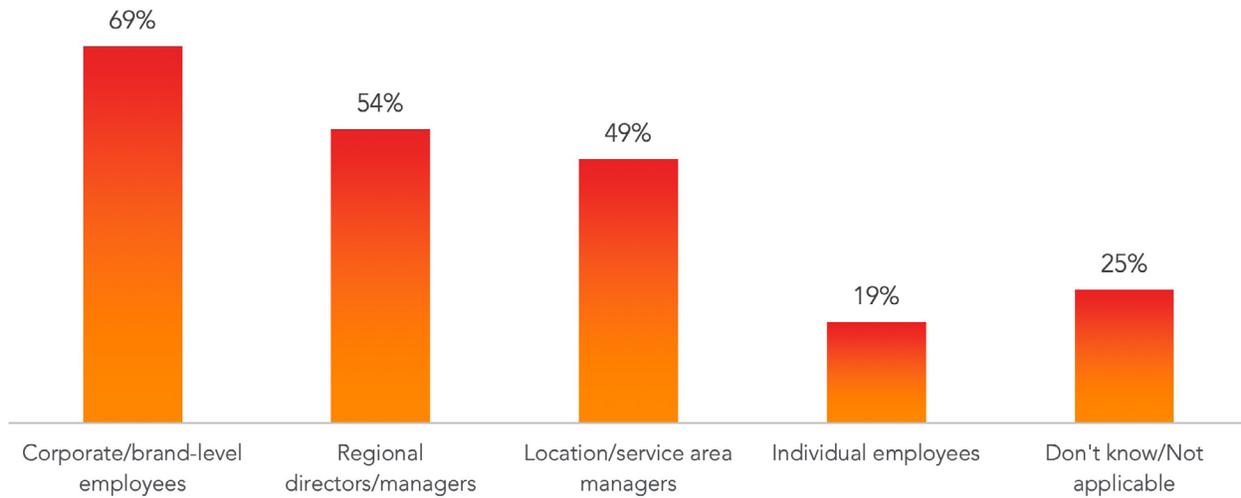
Q15: How often do NPS survey results get analyzed and reported out?  
Base: Customers only. n=144.

Who exactly should have access to the numbers? While it's a bit more rare to find companies that share all the details with individual frontline employees, the data shows that local management is in the know. When leadership of multiple levels has access to these insights, team-building, training, and inspiration come much more easily.

## Corporate, regional, and local managers have access to data.

Fewer companies share customer feedback data and analysis with individual employees.

### WHO HAS ACCESS TO CUSTOMER FEEDBACK



Q12: Who in your company has access to (customer survey: additional analysis based on the NPS survey data)(prospect survey: customer feedback data and analysis)?

Base: All respondents. n=183.

## Taking Action



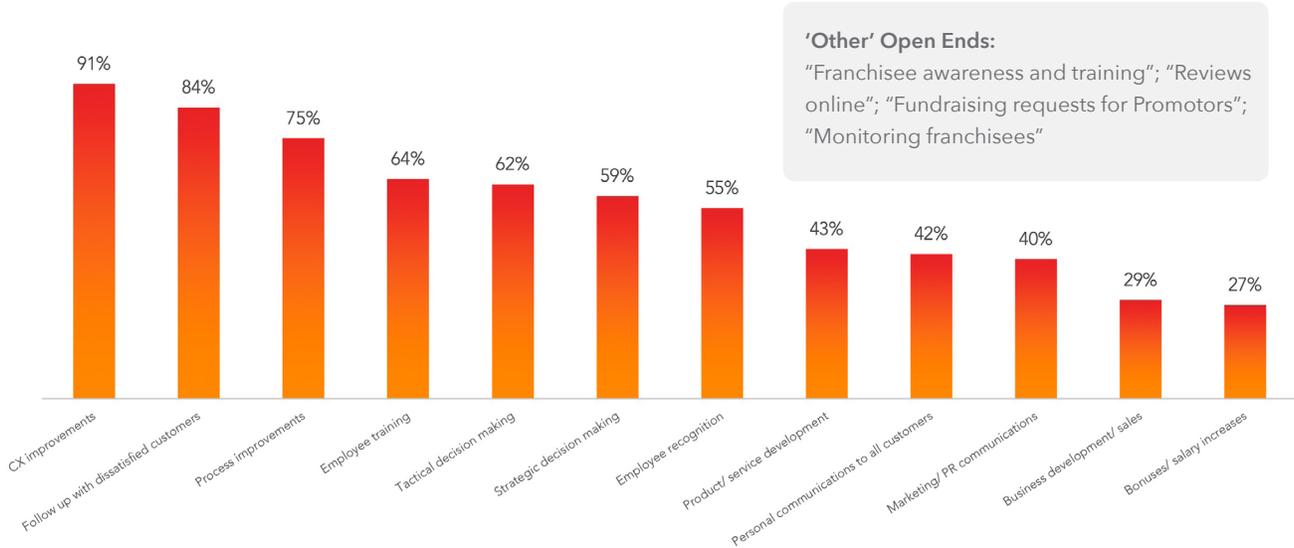
Gathering and digging through the data is a great step towards a better CX, but whether or not you achieve your goals depends on how you act on that data. We took a look at how businesses with CX strategies are executing after collecting feedback. This will give you some idea of how your peers approach CX improvement and how to be proactive in your own business.

It's no surprise that the number one use of customer feedback among respondents is improving CX. That application is closely followed by using feedback to follow up with poor customer experiences. Quickly closing the loop saves existing business, improves the chances of winning new business, and mitigates the potential for a damaging online review.

## Customer feedback is primarily used for CX improvements.

Secondary uses include follow up with dissatisfied customers and process improvements.

### USES OF CUSTOMER FEEDBACK



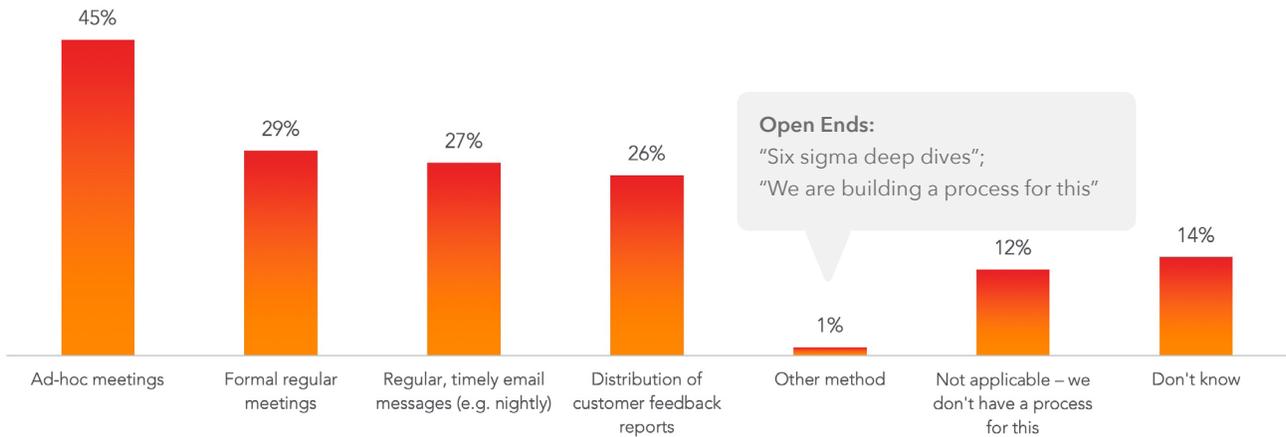
Q7: What does customer feedback (customer survey: from the Listen360 NPS survey) get used for in your company? Chart is excluding 'Other uses' and 'Don't know'

Base: All respondents. n=203.

Every business is different, so finding the best way to disseminate customer feedback to relevant team members should fit your company culture. It's pretty common though, to address it in ad hoc meetings. This likely reflects the fact that feedback rolls in real time and should be constantly monitored.

It is most common that root cause analysis is conducted via ad-hoc meetings.

### THE WAYS ROOT CAUSE ANALYSIS IS CONDUCTED



Q21: How does your company conduct root-cause analysis on issues or concerns that emerge from (customer survey: the Listen360 NPS survey)(prospect survey: customer feedback)?  
Base: All respondents. n=172.

### VOICE OF THE CUSTOMER BRAND-LEVEL IMPROVEMENT PROCESS

“At the brand level, voice of the customer analysis is conducted by Ops & Marketing Depts to identify key pain point threads as well as high points of customer satisfaction. Pain points are prioritized, and action plans are built into the annual operating plans for remediation.

“Feedback is shared with Senior Leaders at monthly strategic review meetings...and we hold voice of customer huddles.”

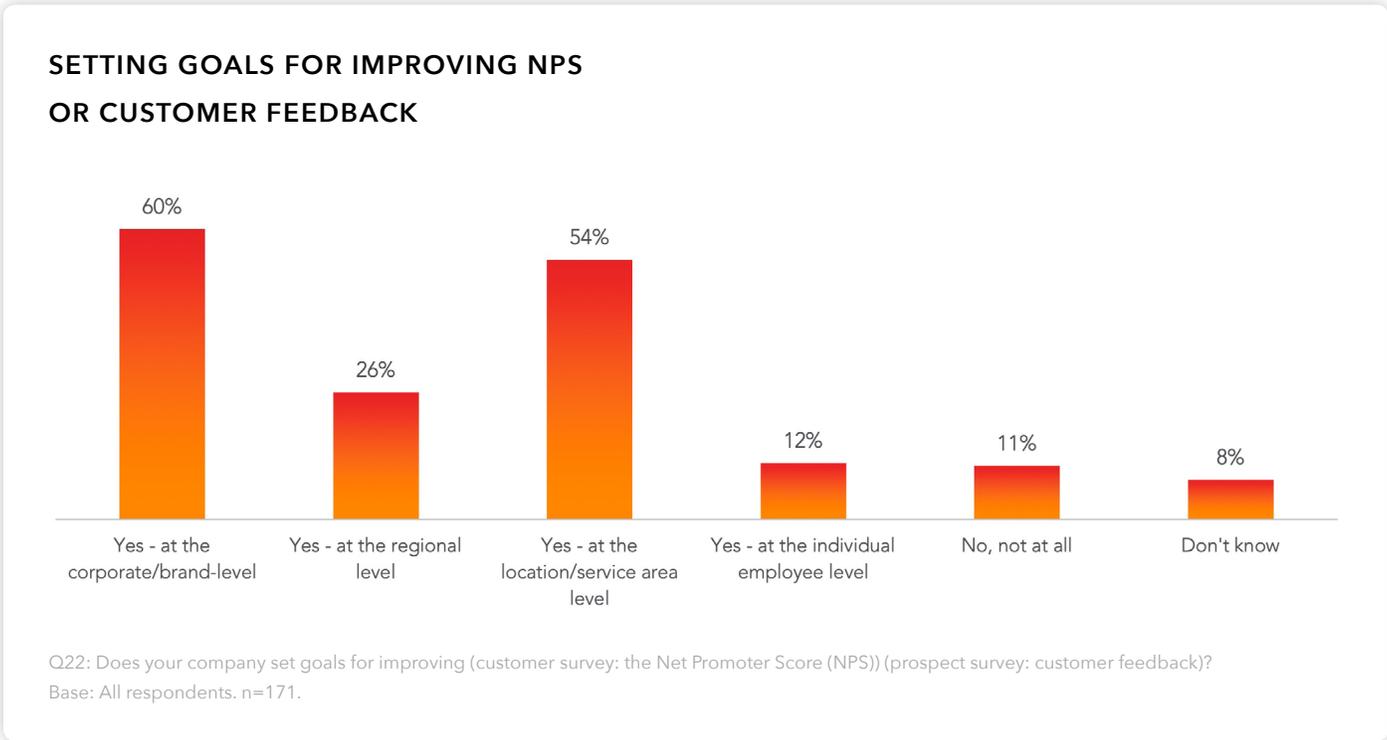
“We share the data with the front-line team, follow up daily on any negative comments, and report annually to our entire company.”

“We review results carefully and correlate findings to store success ...Customer service is recognized at conference.”

O6: Please explain your company's process for making brand-level improvements based on the NPS survey data. Selected open ended comments shown.  
Base: Customers who provided a text comment to the question. n=50.

When you commit to improving your CX with customer feedback, it needs to come from the top down in your organization. Most businesses set feedback goals at the brand level which displays a commitment to the customer across the entire network and ensures everyone is on board.

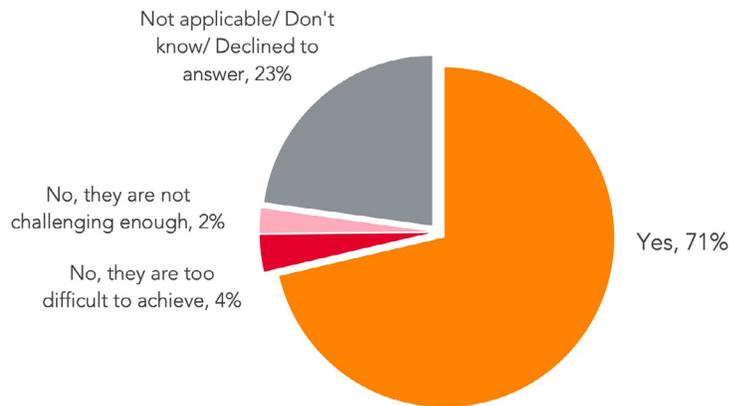
**Customer feedback improvement goals are typically set at the corporate/brand-level or the location/service-area level.**



While you want to make your goals realistic, it doesn't help to sandbag them either. Make sure you're setting standards that challenge you to reach for excellence rather than creating a metric to pat yourself on the back. Most respondents agreed that these goals are accurately set.

Seven out of ten companies agree that goals to improve customer feedback are set at the right level of difficulty.

### CHALLENGING AND ACHIEVABLE GOALS FOR IMPROVEMENT



Q23: In your opinion, are the goals both challenging and achievable?  
Base: All respondents. n=171.

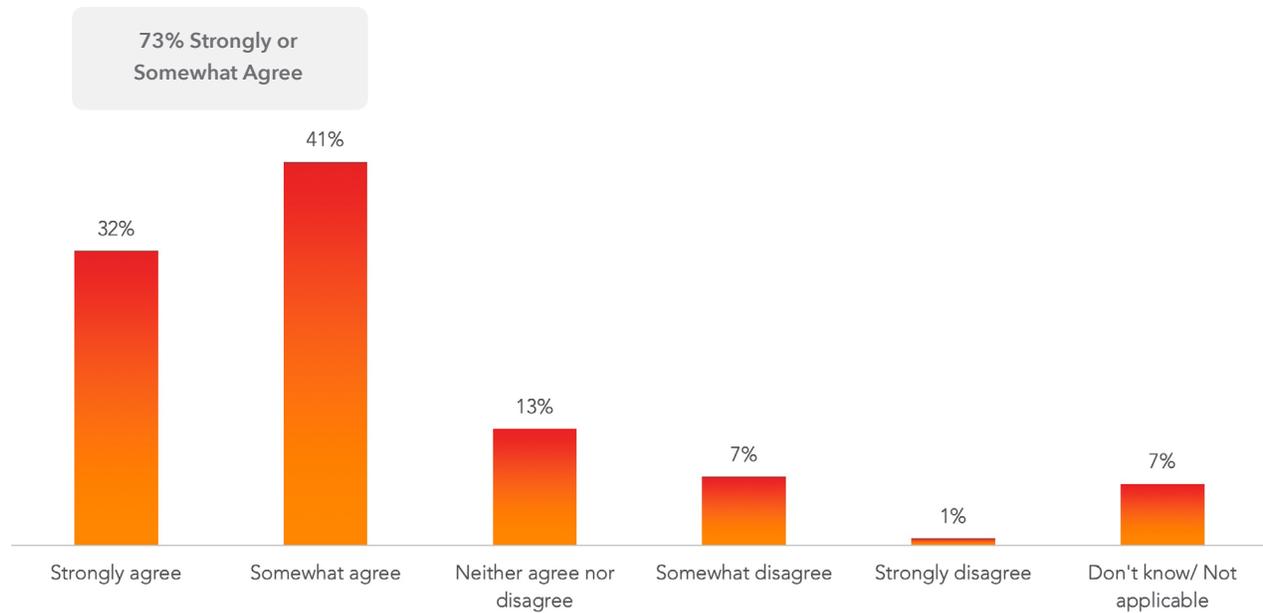
The vast majority of respondents agreed that frontline employees are equipped to act on customer feedback. Armed with valuable information, customer-facing employees are not only more confident with interactions, but they're much more adequately prepared to understand and improve adverse situations.

**73% agree that their customer-facing employees have the autonomy to make decisions and take necessary action.**

Customer-facing employees at higher performing brands are even more likely to have this autonomy.

**AGREEMENT: CUSTOMER-FACING SERVICE EMPLOYEES HAVE THE AUTONOMY TO MAKE DECISIONS AND TAKE ACTION**

Answered by Listen360 Customers only



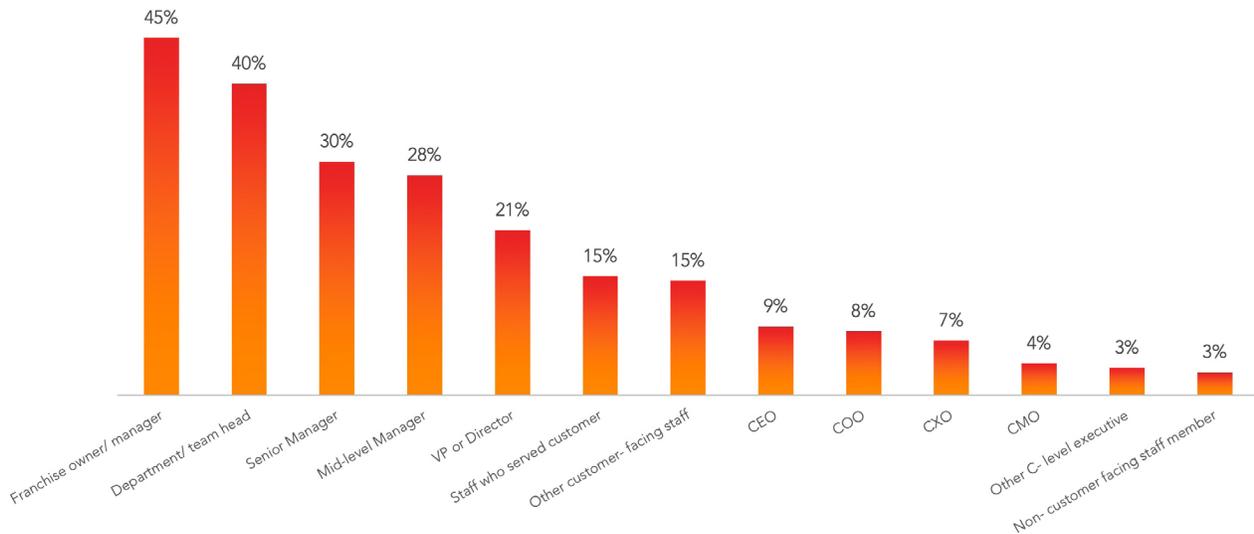
Q24: How much do you agree with this statement? Customer-facing service employees in our company have the autonomy to make decisions and take necessary actions based on customer feedback from the Listen360 NPS survey.

Base: Customers only, n=136.

Closing the loop and following up with customers is a great way to dive deeper into a potential problem, initiate speedy service recovery, and prevent negative word of mouth. Respondents stated that franchise owners, managers, or department heads are most commonly accountable for these customer follow-ups. Having leaders do the follow-ups keeps it less confrontational and is a great way to demonstrate care.

Franchise owners/managers and department/team heads are most likely to be accountable for customer follow up.

### WHO IS ACCOUNTABLE FOR FOLLOW-UP WITH CUSTOMERS



Q25: Who in your organization is accountable for following up with customers based on customer feedback (customer survey: from the Listen360 NPS survey)? 'Other', 'No one is held accountable' and 'Don't know' are excluded from the chart.  
Base: All respondents. n=172.

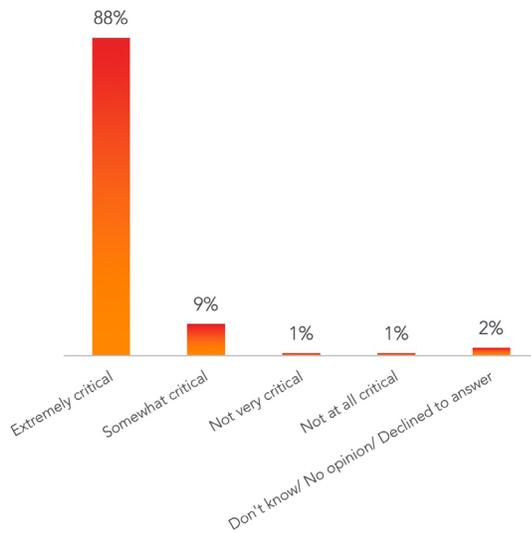
Always follow up with unhappy customers. Not only can they do a lot more harm when you don't try to make it right, you may end up creating some of your biggest fans simply by reaching out. With 88% of respondents agreeing that this is critical, it's hard to disagree.

**Most Customers say that it is extremely critical to follow up with Detractors (88%); only 1% say they don't do this.**

Most commonly, Listen360 Customers are following up with Detractors within 24 hours.

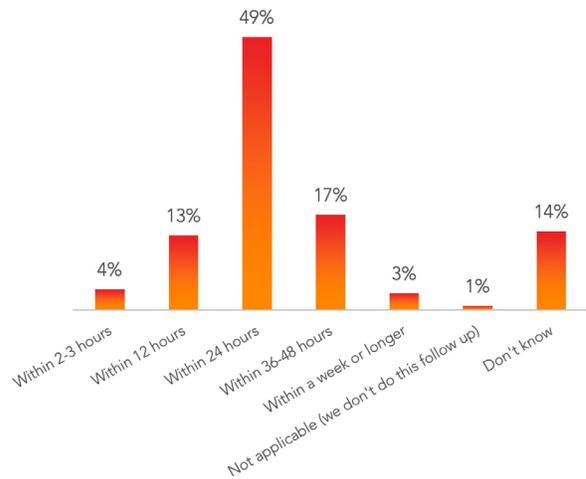
**OPINION ON HOW CRITICAL IT IS TO FOLLOW UP WITH DETRACTORS**

Answered by Listen360 customers only



**TYPICAL TIMEFRAME FOR FOLLOW UP WITH DETRACTORS**

Answered by Listen360 customers only



Q26: In your opinion, how critical is it to follow up with Detractors (those scoring 0-6 on the NPS question)?

Q27: Within what time frame does someone in your company follow up with Detractors?

Base: Customers only, n=136.

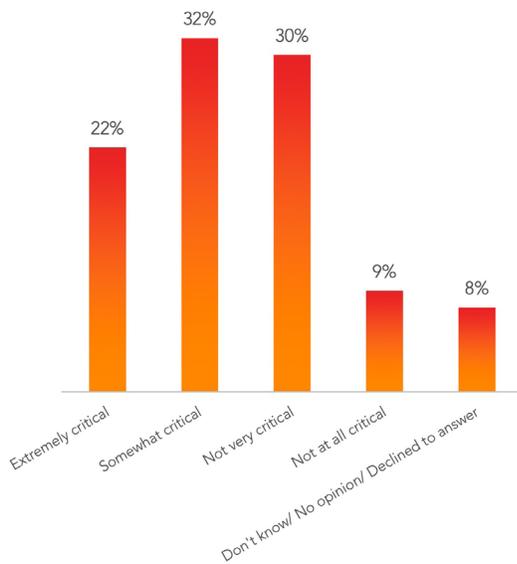
It's not nearly as common for businesses to follow up with delighted customers. A little over a third of respondents don't do this, but it's interesting to take a look at the sizable portions of those surveyed who still do. Following up with promoters could be considered what we call a "delighter" factor. Promoters won't expect you to follow up, so if you don't, there is likely no penalty. If you do, though, they will be very pleasantly surprised. Sometimes doing the things your competitors aren't will give you an edge.

Far fewer Customers say it is extremely critical to follow up with Promoters (only 22%); 36% indicate they don't do this.

The timeline for follow up with Promoters ranges from within 24 hours to longer than a week.

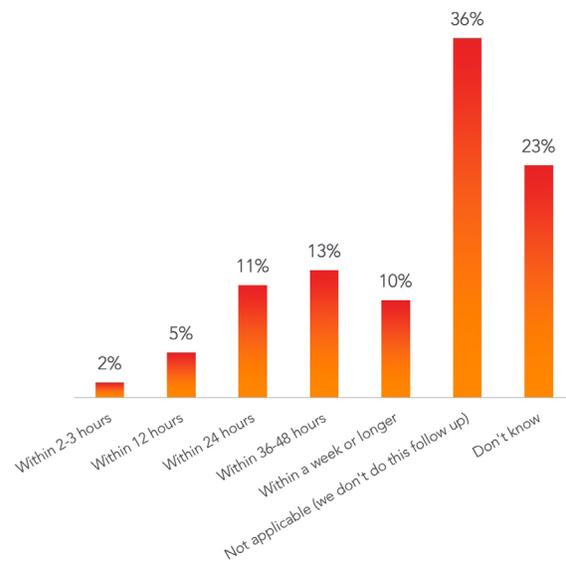
### OPINION ON HOW CRITICAL IT IS TO FOLLOW UP WITH PROMOTERS

Answered by Listen360 Customers only



### TYPICAL TIMEFRAME FOR FOLLOW UP WITH PROMOTERS

Answered by Listen360 Customers only



Q28: In your opinion, how critical is it to follow up with Promoters (those scoring 9 or 10 on the NPS question) who have provided an online review?

Q29: Within what time frame does someone from your company follow up with Promoters who have provided an online review?

Base: Customers only, n=132-133.

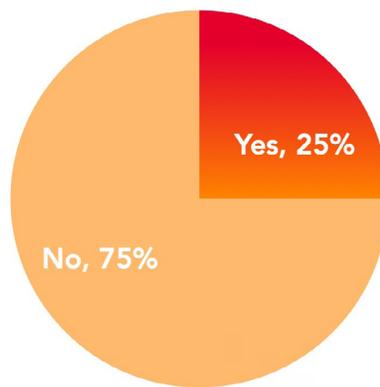
Most businesses keep their scores close to the chest and decide how best to distribute the information in house. A quarter of respondents, though, publish the numbers online.

## 25% of Customers publish their Net Promoter Scores online.

Higher performance clearly correlates with the behavior of publishing NPS online.

### PUBLISHING NET PROMOTER SCORES ONLINE

Answered by Listen360 Customers only

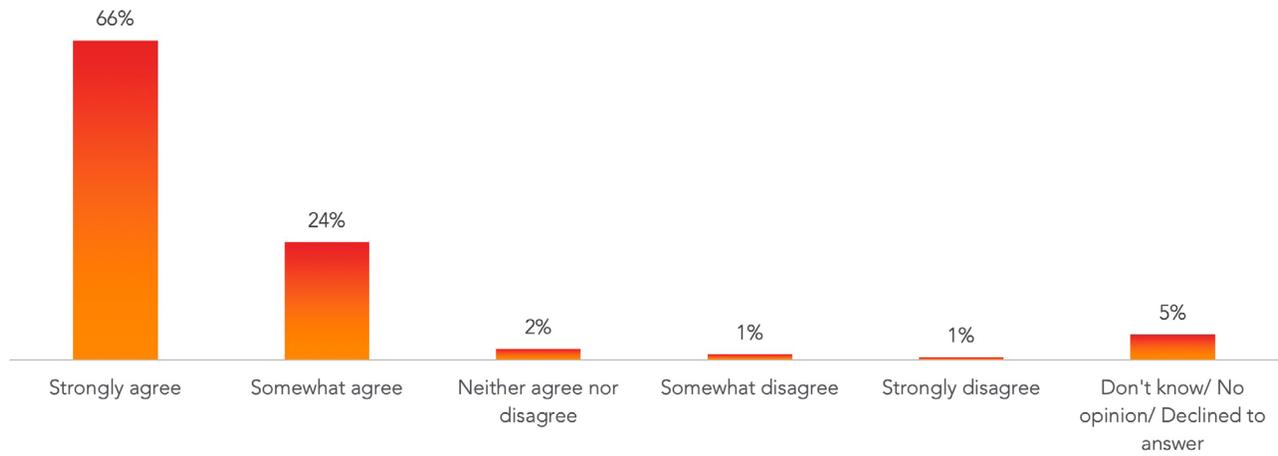


Q31: Do you publish your Net Promoter Scores online?  
Base: Customers only. n=132.

Following up with an unhappy customer can not only change the way they feel about your brand, it can also change the way they talk about your brand to the world at large. Online reviews can be much more detrimental than a digital blemish.

Two-thirds strongly agree that proactive tracking and follow-up on customer feedback positively impacts online reputation.

**AGREEMENT: PROACTIVELY TRACKING AND FOLLOWING UP ON CUSTOMER FEEDBACK CAN HAVE A POSITIVE IMPACT ON ONLINE REPUTATION/STAR RATINGS**



Q30: How much do you agree with this statement? Proactively tracking and following up on customer feedback can have a positive impact on our online reputation/star ratings?

Base: All respondents. n=168.

# Executive Summary



Benchmarks are so helpful because of the sheer amounts of data they house, but it's certainly a lot to look at. We've distilled the main takeaways from each section here so you can see the big picture.

## Business Growth and Priorities

- More than half indicate having 'happy customers' is the top driver of their business growth.
- Increasing customer loyalty is the most important goal, followed by growing market share and improving employee engagement.



Higher-performing brands put greater emphasis on brand reputation and superior products/services as top drivers of business growth.

## CX Strategy & Approach

- Nearly three out of five are 'extremely committed' to providing a superior customer experience to their customers.
- The main ways to collect CX insights are with NPS surveys, email surveys, mystery shoppers, as well as via unsolicited feedback and transactional data.
- CX insights are collected from current, past, and potential customers, and customer-facing employees.



Higher performing brands have a stronger commitment to providing superior CX and are more likely to have a customer-centric culture.



Lower performing brands are more likely to be relying on unsolicited feedback and transactional data. They are also more likely to collect insights on the customer experience from their employees.

## Benchmarking CX

- Companies who monitor practices of their peers know where they are ahead and where they are lagging. It helps reveal which practices to lose and which to improve.
- Examples from industry leaders help free up innovation log jams and close the gap in competition.
- Setting goals based on a sort of data scoreboard increases clarity in CX strategies and leads to attainable growth and new business.
- The number one metric used by companies for benchmarking CX is the Net Promoter System.
- Average and exemplary NPS scores vary by type of industry. Comparing to similar businesses is the best option.
- Following up with negative customer feedback, analyzing trends in responses, and sharing findings with your staff to improve training and morale are top ways to improve NPS score.

## Customer Feedback Collection, Analysis, Reporting

- Operations and/or Marketing departments are most likely to be responsible for managing customer feedback.
- Most companies are integrating a range of other data with their customer feedback - most typically it is operational data.
- Key loyalty driver analysis and Net Promoter analysis are the most common analyses undertaken - so unsurprisingly, the most common metrics tracked are NPS, loyalty metrics, and CSAT.
- Corporate, regional, and local employees/managers have access to the data and analysis, with executives and senior management most commonly reviewing the reports. It is less common for individual employees to see the analysis and reporting (only in about one out of four companies).



### Higher performing brands:

- Rely more on their Marketing departments to help manage customer feedback.
- Are more likely to be on the pulse - analyzing and reporting in real-time, or on a daily basis, rather than on a weekly basis.
- Are more likely to have franchise owners/managers and customer-facing staff reading and reviewing NPS reports.



### Lower performing brands are working hard to improve their performance:

- They are more likely to be integrating operational data with customer feedback.
- They are more likely to use company scorecards and company dashboards.

## Taking Action

Customer feedback is primarily used for CX improvements and follow-up with dissatisfied customers.

- Results are typically shared and discussed on a weekly or monthly basis.
- Ad-hoc meetings are the most common way that root cause analysis is conducted.
- Improvement goals are most commonly set at the corporate/brand level or the location/service area level.
- A majority agree that goals to improve customer feedback are set at the right level of difficulty.
- Most agree their employees have knowledge & skills to understand customer feedback.
- 73% agree their customer-facing employees have autonomy to make decisions and take action.



### Higher performing brands are more likely to:

- Use feedback for marketing/PR communications than for personal communications to customers.
- Share and discuss results on an ad-hoc basis.
- Agree their employees understand customer feedback and have autonomy to make decisions and take action.

We hope you've learned as much about CX trends and top performing customer feedback strategies as we have. For more insights, resources, and guides to help you on your journey to a better CX, [join us at Listen360.com](https://listen360.com).

