

# NPS

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## What is NPS?

Net Promoter Score® is a metric created in 2003 by Fred Reichheld, a partner at Bain & Company. NPS® is a way of measuring how well an organization generates loyal customer relationships.<sup>1</sup>

According to NPS®, there are 3 types of customers:

- Promoters: loyal enthusiasts who will keep buying and more importantly, refer others.
- Passives: satisfied but unenthusiastic customers who can be easily tempted by competitors.
- Detractors: unhappy customers who can damage your brand through negative word-of-mouth

High Net Promoter Scores indicate that a company has earned more promoters than detractors. It is determined by the percentage of promoter customers less the percentage of detractors.

## How micrometrics can help you with NPS.

MicroMetrics can link NPS scores with data collected on customer perceptions of the brand, in-store service, and key performance indicators (KPIs). Our platform can help determine which factors drive loyal customers and what a higher NPS score could mean for an organization. MicroMetrics can give NPS context and combine it with other metrics to provide you with actionable insights. This can help organizations learn why customers are purchasing and gather feedback on the marketing efforts of the organization.

## Why is it useful?

**Simplicity and Adaptability:** Net Promoter® surveys typically require just two or three questions, keeping customers focused. The Net Promoter Score® is a single number that can be tracked from week-to-week or month-to-month, and can be broken down by business line, store, product, or even individual customer-service reps.

**Quick follow-up:** Managers or frontline employees can contact detractors to identify customer concerns and to fix the problem whenever possible. Frontline managers and executives can also use NPS data and customer comments to inform decisions about process changes, new products and other innovations.

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<sup>1</sup> <http://www.netpromotersystem.com/about/>

<http://www.netpromotersystem.com/about/benefits-of-net-promoter.aspx>  
<http://www.netpromotersystem.com/about/three-types-of-scores.aspx>  
<http://www.netpromotersystem.com/about/benefits-of-net-promoter.aspx>

*For more information on Net Promoter® , Net Promoter Score® , and NPS® visit:  
<http://www.netpromotersystem.com/about/why-net-promoter.aspx>.*

***Trademark note:***

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