
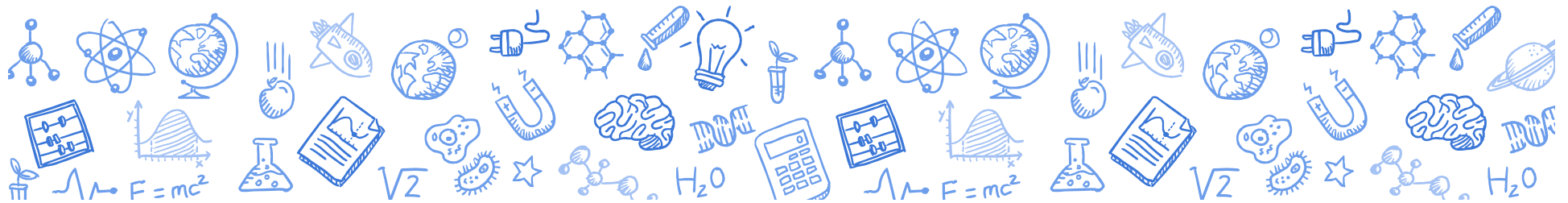


Net Promoter Score[®]: Science or Pseudoscience?

Daniel Kinal -  @dktpm

Product Anonymous - Sep 2019



How Loyalty Leads to Business Success



And some other reasons it's not great science 1/2

- ★ “Simply irrelevant” in some industries*
- ★ Not predictive in monopoly or near-monopoly conditions*
- ★ Data analysed was historical, not future.
- ★ Unconvincing replication studies†

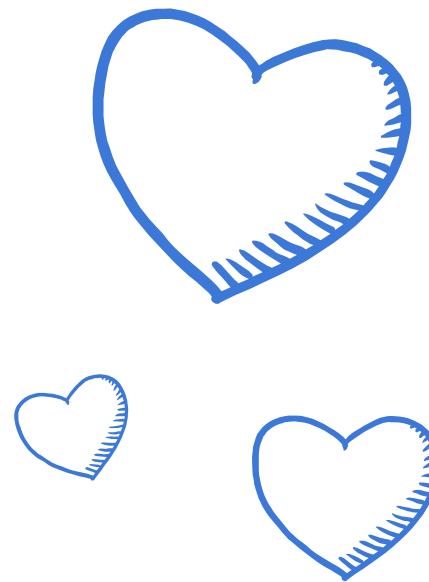
* Fred Reichheld, HBR, 2003

† See Jeff Sauro's study, 2018



Some compelling qualities of the NPS

- ★ Cheap
- ★ Fast
- ★ Simple
- ★ Accepted



How to make NPS as valuable as possible

- ★ Measure brand or “full product experience” rather than feature or interaction
- ★ Measure longitudinally and conduct trend rather than point-in-time analysis
- ★ Keep it as scientific as you can (randomisation, third-party research)
- ★ Compare your NPS to direct competitors
- ★ Remember what you are measuring (loyalty and propensity to evangelise, not product satisfaction)
- ★ **Analyse qualitative feedback and NPS makeup**



But... ask yourself and your stakeholders:

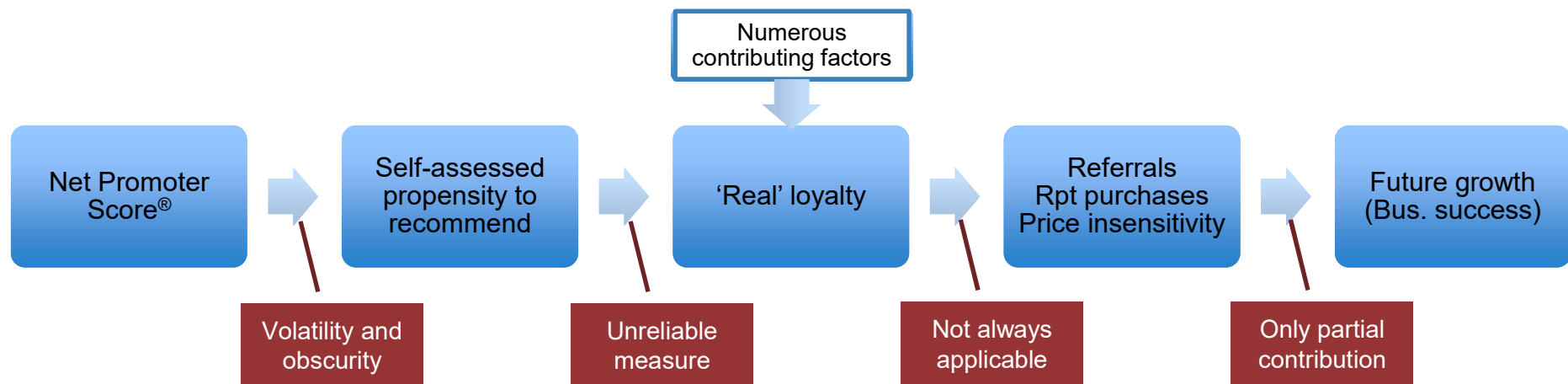
Is loyalty a significant contributor to our product's success?

- ★ Is word of mouth important?
- ★ Are friends/colleagues going to be key influencers or customers?
- ★ Is repeat purchase important?
- ★ Will loyalty reduce price elasticity?



Think about what NPS really means for your product

- ★ It is always going to be a proxy measure.
Is it even a proxy for something you care about (pdt/mkt fit)?
- ★ Does the loyalty model even hold true for your products?
- ★ Number of degrees of separation from what you actually care about?



... but collect actionable data as well

- ★ Non-survey / telemetry measures
- ★ Customer Satisfaction (CSAT)
- ★ Phrase questions carefully

How satisfied were you with X to help you achieve Y?

What do you like about X and where do you think we could do better?



