



GemSeek

Getting Started with Competitive NPS

GemSeek answers client questions





Q: ARE YOU CONSIDERING LAUNCHING A COMPETITIVE CUSTOMER EXPERIENCE/NPS STUDY?

Here are some important tips you should have in mind before you officially hit the line.



When planning on launching a competitive customer experience study, the output you will get at the end is largely dependent on the initial project set-up.

We spoke with our partners and clients on the main questions and issues they had to tackle during project implementation and have summarized the crucial decisions that matter the most for a competitive customer experience study design.

In the next pages **we focus on the milestones to be carefully examined** when designing a qualitative, useful and comprehensive NPS study.

Q: I AM STILL NOT SURE ABOUT THE NECESSITY OF A COMPETITIVE CUSTOMER EXPERIENCE STUDY FOR MY ORGANIZATION...

GemSeek answers:

Competitive customer experience study is indeed more expensive, and requires a more extensive set-up and higher involvement of many professionals from different levels within the organization. It is harder to coordinate compared

to a transactional or relationship study, however, the output is several times more useful.

Here are some of the benefits you will get:





Q: WHAT PERIOD SHOULD I RUN THE SURVEY FOR? (1)

GemSeek answers:

If you are wondering how to specify the period of measurement, you should assess the pros and cons deriving from the selection of a time frame. The options are two – measure results as a one-off study (a few days, weeks, month, quarter) or as an ongoing process (usually a year). Here are some of the benefits you will get

START

23
JUNE



END

21
JULY

MEASURING NPS AS A ONE-OFF STUDY



A one-off study is usually conducted for a short time frame with the main goal of reaching a given number of respondents. This approach allows organizations to get results shortly after they start the survey. It also shows how results are being affected by promotional campaigns, company organizational changes or any external events. These however, often have short-term effect on customer experience levels and might skew the general picture if taken as the ultimate measure of customer experience. In case you choose to go for a one-off option, make sure you identify the best time depending on country specifics and your target audience's general habits. This is a crucial decision as achieving a nice spread of interviews and good response rates are largely dependent on your survey timing.

See below a summary of the advantages and disadvantages of measuring customer experience as a one-off initiative:



- Shows results by taking promotional activities into account
- Allows measurement of the effect of own organizational improvement actions
- Can be used as a pulse-check (preliminary measure to give sense of full period result and allow time for corrective actions)



- Results from two subsequent periods may vary greatly due to market dynamics triggered by internal and external events
- Estimating the year-round NPS of an organization cannot be considered representative for the entire period (Year), as it does not capture data based on the entire time frame for evaluation. You need to have deep understanding about the specifics of your target audience and plan the timing of your survey precisely to achieve reliable results



Q: WHAT PERIOD SHOULD I RUN THE SURVEY FOR? (2)



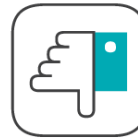
MEASURING NPS ON A ROLLING UNINTERRUPTED BASIS THROUGHOUT THE YEAR

Yearly NPS is a score which is mostly based on data collected on a rolling basis throughout the entire year, preferably even spread between weeks and months. The main benefit of gathering data throughout the entire year is that dynamics of the entire period are captured and thus high reliability of results is ensured. Such set-up gives a total aggregated overview as well as the opportunity to break data into a deeper level of detail (period, brand, socio-demographics)

See below a summary of the advantages and disadvantages of measuring customer experience on an ongoing basis:



- Stable and reliable trend of results due to isolated effect of promotional activities, various internal and external events, seasonality
- Ability to analyze results on more detailed levels (in terms of period, socio-demographics, behavioral)
- Capture promotional activities and other events by splitting data by smaller, relevant periods



- Requires a serious investment and is subject to extensive supervision of processes



Q: WHOM SHOULD I SURVEY?

GemSeek answers:

Defining your target group might seem easy, but it is a very responsible task. You probably have a very good idea who your customers are, but still we advise you to spend a moment and have a final detailed look before you sign the target group definitions off.

Make sure you cover all ages, demographics, social status, and behavioral specifics of your customers; otherwise it may turn out your results do not match market realities.

Q: HOW MANY RESPONDENTS SHOULD I SURVEY?

GemSeek answers:

Many professionals set a total number of respondents to be surveyed mainly based on common practices and largely depending on their budget. To answer this question, we would suggest making a decision following a bottom-up approach. Even if your budget is not sufficient but you take some time to think what data points you want to analyze and structure your total sample around that, you will fit into your budget just fine.



NUMBER OF BRANDS TO INCLUDE

Especially valid to competitive customer experience/ NPS surveys, the most important break of your data would be the view per brand. Consider how many brands you want to analyze, but keep in mind that the more brands you study, the larger sample you will need.

In an effort to capture all market players, professionals often start the survey with a long brand list, and at the end they realize most results cannot be analyzed due to small sample sizes. So, our advice would be to limit your brand list to your key competitors (ideally between 5–7 brands) in order to ensure enough sample size per each brand.



DATA SPLITS NEEDED

Think of the data splits you are most interested in when analyzing your results. You might use some kind of segmentation, focus on a specific age group or target your products to respondents of specific income level group.

For the splits which are important to you, set the minimum base size for an analyzable cell. Then define the total sample by estimating the minimum base for each level of detail (brand, age group by brand, age group and social class by brand) as a part of the total sample.



Q: WHAT QUESTIONS SHOULD I INCLUDE?

GemSeek answers:

In addition to the standard customer experience questions (NPS, recommendation, loyalty etc.), adding some more questions can significantly enhance your data sets. For example, asking respondents to directly compare your performance vs. competitors can reveal your strongholds vs. weak spots in the context of your external market environment.

Furthermore, including qualitative questions to your questionnaire will easily substantiate your quantitative results. For example, adding the right open-ended questions can give a reliable explanation of the concrete drivers of your customer experience/ loyalty levels. Whatever questions you include, make sure the questions you ask will help you improve customer satisfaction.

Q: HOW DO I GET CONSISTENCY OF RESULTS?

GemSeek answers:

If you compare your survey data periodically over different periods of time, you would expect consistency of results. In order to be able to compare your study results over periods and get reliable and consistent data, you need to keep the same set-up.

Any changes in data collection method, fieldwork times, target audience etc., might have major impact on comparability, so before you change the design of your study, make sure to evaluate the impact on comparability.

In case you are wondering whether some of the changes you made have impact on results, an easy-to-capture sanity check could be to investigate outliers. If there are no market developments or other data points explaining any dynamics in the results, it might be a good idea to check for consistency over the set-up of the surveys.



Q: CAN I COMPARE MY RESULTS ACROSS DIFFERENT COUNTRIES?

GemSeek answers:

Be it customer experience or any other behavioral or attitudinal questions, results are largely dependent on nationality. There are some general trends of answers across cultures and geographies, so we would not recommend direct comparison between countries. If you still need to compare your results across different markets though, we would suggest that you compare relative results – your organization score vs. market average or main competitor.

General Do's and Don'ts:



- Spend extra time on investigating outliers – they often speak of something going wrong with the survey and finding the root cause might prevent serious misinterpretations of results
- Before defining the fieldwork times, investigate the specifics of your markets – demographic structure, cultural specifics, holiday habits, internet penetration, product category penetration etc.
- Make sure you have clearly identified the level of granularity for reporting you need to achieve
- Consider the market dynamics and seasonality patterns of the market you're surveying
- Make sure all your decisions regarding project set-up are informed and substantiated, as sometimes even a small leak can sink the ship



- Don't underestimate preliminary results, they are often a predictor of the overall market landscape
- Don't skip any element of the set-up process in an effort to speed the process up
- Do not make a direct comparison of results across different countries
- Don't change survey set-up unless you are 100% sure you'll keep consistency to previous periods



Q: HOW TO PUT SURVEY DATA IN MY BUSINESS CONTEXT?



GemSeek answers:

Used at its maximum, the competitive customer experience/ NPS surveys give organizations clear action points and variety of options to link survey results to business measures.

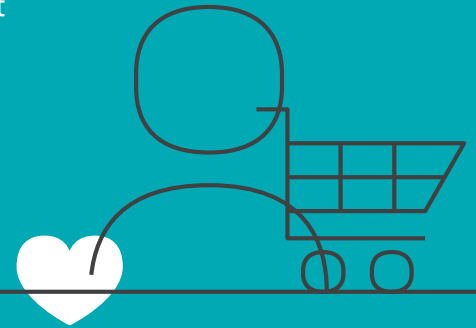
- In the context of market intensity evaluation, the study gives a snapshot of organizations' competitive positioning; key advantages and areas for improvement.
- With regards to linking of survey results with growth opportunities, results are widely used for evaluation of the impact of positive customer experience on revenue growth.
- In terms of developing action plans and short-term operation goals for departments, top-down survey data (customer experience scores and feedback) are being translated into bottom-up action plans and approaches.
- Scores per different BUs, organizations and even countries are being compared to evaluate effectiveness of different departments and organizations.



GemSeek

WHO WE ARE?

GemSeek is a company with an inquisitive character. Our team helps business leaders with decision support analytics that have a direct impact on bottom line and competition



OUR SERVICES ARE ORGANIZED AROUND THE FOLLOWING TOPICS:



RESEARCH SUPPORT SERVICES

complete in-house delivery capability for market research projects (survey design, programming, fieldwork, data processing, text coding, reporting and project management)



CUSTOMER EXPERIENCE AND LOYALTY RESEARCH AND ANALYTICS

designing holistic customer experience/NPS programs (framework design and data collection, competitive benchmark, business impact analytics, reporting, change management)



MARKET MODELLING

detailed market mapping and opportunity assessment (market size, market share, market strategy)



PURCHASE FUNNEL AND ROI ANALYSES

we measure the level of dependence between conversion drivers and other factors to estimate how customer journey influences the overall company performance



COMPETITIVE INTELLIGENCE

we strengthen our customers' competitive edge based on precise market mechanics modelling, competitor profiling, war gaming/workshops and more.

SOME OF OUR CLIENTS

PHILIPS
sense and simplicity

**Boston
Scientific**
Advancing science for life™

MetLife
MetLife Auto & Home®

gsk GlaxoSmithKline

brainjuicer.

عبد اللطيف جميل
Abdul Latif Jameel

VIG
VIENNA INSURANCE GROUP

Allianz 

ims | INTELLIGENCE.
APPLIED.

 **Enel**



L'ORÉAL
PARIS
PROFESSIONNEL

 **Abbott**

SAB
MILLER



REPUTATION
INSTITUTE 

HEIDELBERGCEMENT

Danfoss

DANONE

Mondelez
International

 **Nestlé**
Good Food, Good Life

 **KLM**



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