

CUSTOMER SATISFACTION DRIVES DEVELOPMENT



Overview: Accurately gauging your customers' satisfaction is an important but difficult task. Utilizing survey results to establish a Net Promoter Score can help you measure the reaction of your customers to product changes and, with the right mindset, drive the development of new features.

Trying to hit the target of where a customer finds value is a key objective for product managers, but one that is very difficult to accomplish. So, what can product managers do to make this task easier? A recent trend in product management involves the use of customer satisfaction metrics to help guide product development. One way to measure is by asking customers to fill out a survey, then calculating a [Net Promoter Score® \(NPS®\)](#). Customer satisfaction is one of the keys to a successful business and an honest, authentic look at metrics like Net Promoter Score can guide product managers in making cumulative good decisions.

The Net Promoter Score measures customer experience and predicts business growth. This score is calculated by a simple question that you may have seen when answering surveys about some of your favorite products: "How willing are you to recommend to a friend or colleague (1-10)?"

The responders that rate you 9 to 10 are your Promoters. These are loyal customers that are enthusiastic about your offering and will fuel growth. Those answering 7 to 8 are your Passives—satisfied customers that might be susceptible to influence by your competition. Answers from 6 to 0 mark your Detractors, unsatisfied customers that could potentially hurt growth via negative word-of-mouth. Once you subtract the percentage of Detractors from the percentage of

Promoters you arrive at your NPS®, which is in a range of -100 to 100. The NPS gives an objective outside view of your customers' perception of your product and their overall satisfaction.

Using the Data

It is important to gauge a metric like this over time and feed crucial and measured feedback into the product management funnel. Your NPS will provide increasing value as you start to recognize and analyze trends. When you send out a couple of new releases you can, in a sense, follow their popularity. As word spreads, you'll be able to track changes in your NPS. Whether the score goes up or down, you now have a lead for an investigation.

Now that you have the data you must do your homework and research. A rising NPS can show not only that customers like your product, but that Promoters are talking about it. Promoters are more than just users of your product; they are your best salespeople. How many times have you used a product based on a personal recommendation? When your product has a strong word-of-mouth, it has the potential to become contagious. Your salesforce is multiplied by having these enthusiastic, engaged, and empowered consumers who naturally spread the good word about your product.

If you have a high number of Detractors, you know you have a big problem. They aren't just dissatisfied with your product; they have the potential to be actively working against you by spreading negative word-of-mouth. Opinions change as the product changes, and you'll need to determine what, exactly, is behind the change in opinion. This is where you need to define the right survey questions and have more informed conversations with customers. You now have a better ability prove or disprove that the decisions you make are making a positive impact on the satisfaction of your customers, allowing you to take action.

But even if you have a ton of Promoters, you can't coast. In my opinion, the analysis and adjustment encouraged by your NPS requires a certain degree of authenticity and an athlete's mindset. Product managers must be able to honestly look at their current situation and be able to accept and act on that feedback, good or bad. Elite athletes are their own harshest critics and stay on top by constantly refining their craft. Like Michael Jordan and Phil Jackson's championship Bulls in the 90's, you must constantly be self-reflective and always be looking for the most impactful ways to improve your customer's experience. A measurable like NPS can be a useful tool for self-analysis and an excellent way to make sure that you are succeeding at the job that really matters—satisfying your customers.