

We all know that old saying, “garbage in, garbage out.” This adage applies perfectly to questionnaire design, and like all market research endeavors, if you don’t measure the right things through the right process, the information you get won’t be right either. At worst, poorly designed questionnaires can lead to erroneous conclusions, put you on the wrong strategic course, and create a flurry of activities and initiatives that are not really connected to what your customers actually experience or feel. For these reasons, any NPS® program has as its foundation effective questionnaire design. There are a few fundamental principles that can create success and prevent failure.

Keep the survey length short.

The rationale behind this direction is simple. Completion rates increase as survey length decrease. A short survey is truly customer centric. Best practice in survey design suggests that after the appropriate interview screeners, the likelihood to recommend question is always the first question. Putting this critical question in first position allows for honest and immediate customer feedback that is not influenced by other questions. Once a customer has rated his or her likelihood to recommend, customers are then asked WHY they have given their particular score. Asking WHY allows a company to focus on what customers say is most important to them. To deliver maximum value also be sure to track and code open ended customer verbatim comments in response to the WHY for the ultimate question. Be sure that the following two business practices are adopted, remembering that there’s little point in asking someone’s opinion if you’re not prepared to listen to the answer:

- 1) Challenge and consistently review the coding of verbatim comments into key themes. Are new themes emerging for the business? Is local or national news or events impacting customer perceptions? Is there overlap between the categories of themes? Do the categories allow you to understand the causes of promotion and detraction? If, for example, you see large numbers of responses grouped into big buckets such as “pricing” or “service,” you might want to disaggregate the category to make it more granular to understand the kinds of pricing issues (e.g., fee amounts vs. fee structures) or service issues that exist.
- 2) Read all verbatims. It is critical that an organization has a process for management to read all verbatim comments.
 - Executive management should read all verbatims from the organization’s own customers from a top-down survey.
 - Conduct interactive workshops with executive leadership to brainstorm problem solving around key themes.
 - A large sample of comments from customers of other organizations should also be read.

Keep measuring a core set of attributes that matter.

Some market research professionals and practitioners believe that asking just the one Ultimate Question “intent to recommend” is not enough, and most Customer Experience Managers continue to track no more than 10 previously-identified or well-known drivers in addition to the likelihood to recommend question. Why stop measuring the things that previous research or feedback processes have already told you matter, if you can still keep survey length manageable? There is no doubt that verbatims are most effective at making the actual customer experience

come to life, but attributes will enable you to diagnose NPS drivers more efficiently and consistently. This rule of thumb for up to 10 additional questions applies to both top-down and bottom-up survey design.

Identify relevant and manageable survey touchpoints.

It is entirely possible to take what is reported to be a simple process for NPS: one question with supporting verbatim answers, and make it extremely complicated by fracturing the customer experience into so many touchpoints that it is difficult to really get a handle on the end-to-end customer experience. State-of-the-art survey design is attempting to address this issue by forming customer panels to understand the end-to-end experience for very important processes, such as new account opening. In this scenario, customers are asked to opt in to a panel, and they are then tracked and surveyed after critical touch points for up to six months. The same set of customers would be surveyed at various stages, from the new account opening process itself, to the delivery of checks and cards, and through follow-up calls from relationship managers, etc.

Most market research firms recommend using several customer pathways; Empathica, a firm focused on improving retail customer experiences, suggests there are four key defining moments for retail banking businesses, regardless of channel and line of business:

Four Defining Moments

1. Initial point of contact / new buy / first occasion use
2. Routine use / ongoing maintenance
3. Major / key transaction
4. Problem resolution

I recommend that all bottom-up research design start with identifying customers in each of these groups and then designing a NPS questionnaire for that experience that uses both the Ultimate Question® and approximately 10 additional questions to enable a full driver analysis.

Keep the Ultimate Question tied to the experience you want to measure.

It is critical that your transactional or bottom-up survey is explicit about the precise experience you want your customer to reflect upon and that the survey occurs no more than 72 hours after that experience, so that you are getting as accurate a ‘read’ on that individual experience as possible.

However, an organization can decide if it wants the likelihood to recommend question to be driven by a contained experience or the broader relationship. Logic and strategy should guide how you structure your Ultimate Question and what you wish to learn about your customers’ likelihood to recommend. Generally, you will want to understand likelihood to recommend the bank, channel, person, or product. In some cases you will want to learn about customers’ likelihood to recommend some combination of these options. For example, in a relationship or brand NPS survey, one would always ask likelihood to recommend the organization as a whole. Once one examines the options for bottom-up survey design, it gets more complicated. Is one seeking feedback on channel, product, or bank through the touchpoint survey?

My rule of thumb is that when and where a touchpoint can create a standalone experience, it is appropriate to ask a customer the likelihood of recommending what creates that standalone experience. It is possible for a customer to have a relationship with a bank that is entirely branch based. It is not generally possible to have a relationship with a bank that is entirely telephone based. In this latter instance, a bank might want to survey users of telephone banking in order to understand likelihood to recommend the bank for telephone banking needs or one could just ask likelihood to recommend the bank itself. In this instance, I would recommend testing both approaches to see if one set of answers reveals an unexpected set of data or a disconnect between the two experiences.

The following chart shows options for questionnaire design for various touchpoints:

Touchpoint Measured (for any of the four Defining Moments listed above)	Based on Experience, Likelihood to Recommend....
Branch	Branch and/or Bank
Telephone Banking	Telephone Banking and/or Bank
On-line Banking	On-line Banking and/or Bank
Mobile Banking	Mobile Banking and/or Bank
Products* Cards Current account Etc.	Bank for cards Bank for current accounts Bank for particular products
Wealth Management	Bank for Wealth Management needs
Relationship Manager**	Relationship Manager, Branch and/or Bank

Remember, scores that reflect highly specific and limited experiences may differ markedly from scores that reflect a full and complete experience of the organization. So indeed, while a bank may have a wonderful reputation, an individual transaction may disappoint. The corollary is also often true: customers develop a deeper relationship with an individual (e.g., a branch or relationship manager), but the overall perception of the bank is slow to change in the customers' mind. This phenomenon typically results in high Net Promoter Scores on bottom-up surveys, alongside lower scores on top-down surveys.

*Standard NPS literature does not talk a great deal about product NPS, since many NPS users do not have as diverse of a product line as banks do. Product NPS is however, extremely powerful and best allows for root-cause analysis of promotion and detraction arising from products.

**Someone's experience with a particular relationship manager is most relevant if the customer is willing to recommend the bank as a result of that experience. If we just ask about likelihood to recommend an individual, we can be significantly overweighting perceived positive outcomes or instances where a customer would recommend an individual but not the branch or the bank.

Avoid Being Misled.

Improperly designed questionnaires can create erroneous conclusions. The more restrictive your likelihood to recommend question is in a bottom-up survey, the less likely you are capturing the customer's complete view. Reputation is critical to all of the major banks and positively impacting it can take several years of hard work. Unfortunately, reputation is far easier and quicker to erode than it is to build. So if you are capturing a narrow view of the customer experience, you are better able to control what customers are able to comment on, and, therefore, more easily move a positive score upwards. Top-down NPS scores will typically move much slower on an upward curve. Beware questionnaire design that forces a customer to evaluate likelihood to recommend in an overly restrictive way if you wish to move the overall top-down reputational numbers.

Chase change, not a number.

The advent of automated practices such as IVR or web that allow customers to push a key pad after every transaction can create an unfortunate phenomena that leads individuals to pursue pure score chasing. Sometimes the simplicity of the metric itself has unintended consequences. It's not actually the number that is important, rather all the individual *whys* that create the number.

Remember, survey design, research execution, and the calculation of the metrics are the easy parts. Nonetheless, banks must get the survey right in order to unearth data that is actionable and can drive the necessary change to create advocacy and build a culture of customer centricity.

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