

# Net Promoter Score - An evaluation of top companies in select services sector in India

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## Preface

Research Center for Management Studies (RCMS) at SDMIMD has endeavoured to promote research in the field of management education in the Institute, in various ways. The Research Centre has encouraged faculty and students to actively take part in research activities jointly, collate and disseminate findings of the research activities through various types of projects to contribute to the body of knowledge to the academic fraternity in general, and management education in particular.

In this direction, keeping in line with the philosophy of promoting active research in the field of management to capture live situations and issues, the Research Center has taken a unique initiative to sponsor and encourage faculty members to carry out Applied Research Projects in various areas of management.

The duration of these projects is typically between four to twelve months. After completion of each project, after peer review, a publication is taken out, by the institute. The projects help the faculty members, and the students, who work under the supervision of the faculty members for these projects, to identify issues of current importance in the field of management in various sectors. Data is collected mostly through primary research, through interviews and field study.

The institute takes into account the time and resources required by a faculty member to carry out such projects, and, fully sponsors them to cover the various costs of the project work (for data collection, travel, etc), thereby providing a unique opportunity to the two most important institutional stakeholders (faculty and students) to enrich their knowledge by extending their academic activities, outside the classroom learning situation, in the real world.

From the academic viewpoint, these projects provide a unique opportunity to the faculty and the engaging students to get a first-hand experience in knowing problems of targeted organizations or sectors on a face to face basis, thereby, helping in knowledge creation and its transfer, adding to the overall process of learning in a practical manner, with application of knowledge, as the focus of learning pedagogy, which is vital in management education.

**Dr. Mousumi Sengupta**  
Chairperson, SDM RCMS



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Very rarely does a research project succeed due to one individual's efforts. Invariably, there are numerous people who work behind the scene and contribute to the success of research project. This project too is not an exception.

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Dr. R. Sugant



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## Executive Summary

A major tool that is used to measure the customer satisfaction and loyalty in organisation is “Net Promoter Score (NPS)” which assesses customer satisfaction through one question ‘On a scale of zero-to-ten scale, how likely is it that you would recommend us to a friend or colleague?’.

Based on the ratings given by the above questions, NPS classifies customers into three types- promoters, passives and detractors.

NPS score is defined as ‘% promoters-% detractors’.

NPS as a tool is being used by several Indian companies across the spectrum to measure customer satisfaction. However, the data regarding the same is not publicly available for customers to make an informed decision. This research aims at bridging this gap by assessing NPS with regard to three industries - mobile service, on-line retail and banking. The research covered top three - four major players in that industry.

- Mobile Services - Airtel, Vodafone Idea, Reliance Jio, BSNL

- On-line retail - Flipkart, Amazon, Myntra,

- Banks - SBI, ICICI, HDFC, Axis Bank, Canara Bank

The NPS scores as ascertained by this study across three industries are as below:

	NPS Score - National	NPS Score - Bangalore
<b>Mobile Services</b>		
Reliance Jio	32	48
Airtel	27	45
Vodafone Idea	11	25
BSNL	-19	4
<b>On-line Retail</b>		
Amazon	43	46
Flipkart	22	36
Myntra	28	43
<b>Banking</b>		
SBI	28	37
HDFC	35	52
ICICI Bank	39	42
Axis Bank	43	59
Canara Bank	33	38



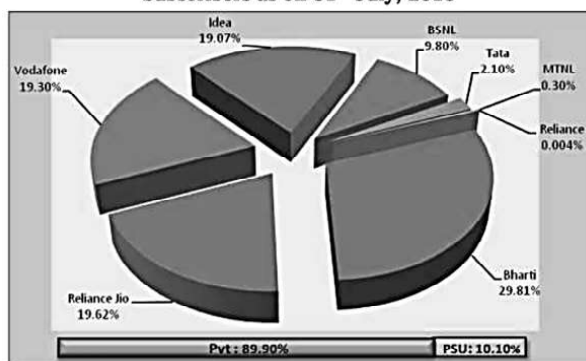
## 1. INTRODUCTION

They say "A satisfied customer is the best source of advertisement". But how do we know if the customer is satisfied or not? Even if the customer is satisfied, will she remain loyal to the company? Will she continue to purchase more in future? Will she refer the company/ product/ brand to her friends and relatives? These are some of the questions that give sleepless nights to sales/ marketing and business heads of companies.

In the present VUCA world, where hyper competition is witnessed in most of the industries, every customer is critical for the company's survival. Specifically in service industries, where the offering is intangible and quality is a matter of perception, the companies are struggling to retain customers. For example, in telecom industry in India, customer churn is quite high. The figures 1 & 2 provide the data of the change in market share of Indian mobile service providers within a 6 month period - between July 2018 and January 2019. (Source: TRAI Report, September 2018 & January 2019)

**Figure 1**

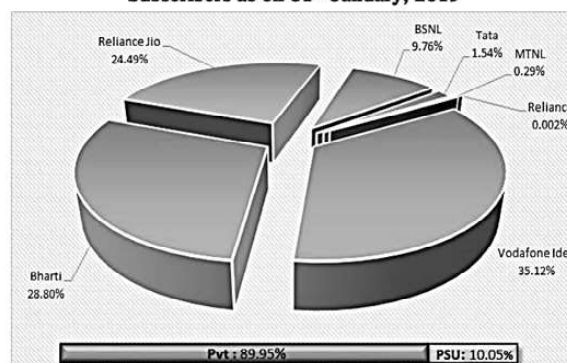
**Access Service Provider-wise Market Shares in term of Wireless Subscribers as on 31<sup>st</sup> July, 2018**



Source : <https://main.trai.gov.in/sites/default/files/PRNo98Eng18092018.pdf>

**Figure 2**

**Access Service Provider-wise Market Shares in term of Wireless Subscribers as on 31<sup>st</sup> January, 2019**



Source: [https://main.trai.gov.in/sites/default/files/PR\\_No.22of2019.pdf](https://main.trai.gov.in/sites/default/files/PR_No.22of2019.pdf)

As one can observe, the market share of all the players have undergone a change. And similar customer churn has been happening in Indian telecom (mobile) industry over the past 20 years.

It is not just the mobile services, but across the industry - be it e-commerce, retail or banking - customer loyalty has been falling and retaining customers is becoming a big challenge. It was proved by several research studies that customer satisfaction is an antecedent to customer loyalty (Fornell et al 1996; Auh, S et al 2003; Coker, 2013). Hence it becomes highly important to measure customer satisfaction on a regular basis and preferably as and when customer comes in contact with the service provider. Obviously, the customers will have neither the time nor the inclination to fill up a long research instrument with multiple questions every time they come in contact with the company/ service provider.

Fred Reicheld and his colleagues at consulting firm, Bain & Co was fixated with this problem and based on their extensive study came up with a simple tool "Net Promoter Score (NPS)". Net Promoter Score or NPS evaluates the customer satisfaction and thus loyalty by one question - "How likely is it that you would recommend this company to a friend or colleague?".

Speaking about the Indian context, there is a speculation that people in India don't rate the organisations high. But it is not true. Indians are

generous in rating the companies relatively higher than most nations. Quoting few examples, a company named Health Spring chain of primary healthcare clinics spread across Mumbai and Pune, uses NPS daily in their operations and they measure NPS score in real time. Reliance Jio is India's first national 4G-network provider. When they set about defining the kind of world-class customer experience they wanted to provide, they realized they'd need to look further than their own borders. They started working in India to create the largest single customer services operation in Asia, capable of serving 200 million customers in the first 18 months. Closed loop NPS is at the heart of the empowered way agents deliver exceptional services.

The purpose of this research is to assess the NPS scores of leading service providers in three sectors - mobile services, online shopping and banking. The research will also try and identify the factors that customers find to be providing highly satisfying or dissatisfying experience in their respective industry.

## 2. LITERATURE REVIEW

### 2.1 CUSTOMER SATISFACTION & LOYALTY

The three primary satisfaction components described are benefit satisfaction, economic satisfaction and social satisfaction. Customers basically seek these components when they buy a product or service.

Anne S. York et al, (2009) says that consumer satisfaction research began in the marketing field in the 1970s and is currently based on the "disconfirmation of expectations paradigm". This paradigm says consumer brand evaluation involves comparing actual performance with some standard. While comparing, three outcomes are likely:

1. Confirmation, where performance matches standards, leading to neutral feelings.
2. Positive disconfirmation, where performance is deemed better than standard, resulting in satisfaction.

3. Negative disconfirmation, where performance is deemed worse than standard, resulting in dissatisfaction.

In one of the earliest definitions, Churchill and Suprenant (1982) define customer satisfaction as "an outcome of purchase and use resulting from the buyers' comparison of the rewards and costs if the purchase in relation to the anticipated consequences". Their research showed that for a durable product, satisfaction was solely affected by performance of the product.

While the initial studies on customer satisfaction focussed on products, the earliest research on customer satisfaction in service industry (restaurant dining) was done by Cadotte et al (1987). Their research showed that customers use expectations as a standard to evaluate their satisfaction. In addition, experience-based norms are also used by customers to evaluate their satisfaction. Also no one evaluation standard can be used to assess the satisfaction and the standard might vary between services.

On studying customer satisfaction across different industries in both products and services domain such as airlines, banks, automobiles, food, retail, insurance, computers, shipping, newspapers, travel etc. Anderson, E W et al (1997) found that customer satisfaction and productivity may not go together. Especially in service industries, they found that extensive customisation is required to ensure customer satisfaction, and this invariably increases cost and reduces productivity.

The Expectation Disconfirmation Model is extensively used in customer satisfaction studies. This model proposes that customer measure the service received or the perceived performance against a standard reference (expectation). This model also assumes that higher the product and service performance, higher will be the satisfaction. i.e, a linear relationship exists between performance and satisfaction. This was proven by the studies of Fick and Ritchie (1991) with regard to travel and tourism and by Brock and Sulsky (1994) regarding computers usage. However, based

on the study of customer satisfaction with respect to skiing, Matzler et al (1996) state that degree of accomplishment of customer expectations may not necessarily result in customer satisfaction proportionately increasing or decreasing. They propound that customer satisfaction also depends on the 'type' of expectation.

Customer satisfaction is defined by Oliver, R L (2010) as "Satisfaction is the consumer's fulfilment response. It is a judgement that a product/ service feature, or the product or service itself, provided (or is providing) a pleasurable level of consumption related fulfilment, including levels of under or over fulfilment."

Klopotan I et al, (2016) say customer relationship management has a great role in customers' loyalty and satisfaction. Loyalty can be defined as dedication to purchase preferred product irrespective of situational changes or marketing effort. Loyalty is defined through three dimensions: brand loyalty, behavioural loyalty and situational loyalty. Brand loyalty presents re-buying preferred product constantly in the future. Attitudinal loyalty is connected with a brand, accustomed by positive client attitudes towards specific brand. Behavioural loyalty is presented by revealed buying and usage behaviour, accustomed by client satisfaction. The authors also say situational loyalty depends upon shopping and purchasing situation at one specific moment.

While focussing on establishing and sustaining customer loyalty. McMullan R(2008) say that customers who have high and medium levels of loyalty react positively by the recognition of the company and believe in reciprocal relationship supported by unique rewards. While customers who are at the lower end of loyalty are not interested in relationship with the company, they are keen on availing promotional offers of the company.

The research by Abhisek Jana (2014) proves that service quality is an antecedent to customer satisfaction which in turn is an antecedent to customer loyalty. Jamal A and Anastasiadou, K (2009) also reiterates the relationship between service quality and

customer satisfaction and customer satisfaction and loyalty. The authors say that reliability, tangibility and empathy are positively related to customer satisfaction and loyalty, while expertise is negatively related to loyalty.

The study by Kursunluoglu (2014) on shopping centre loyalty showed that four factors affected customer loyalty. These are (1) customer services about atmosphere, (2) incentive customer services, (3) customer services in encounter stage, and (4) customer services about payment. While factors (2), (3) and (4) affected only customer loyalty and not customer satisfaction, whereas factor (1) affected both satisfaction and loyalty.

In one of the earliest studies on service quality, Parasuraman et al. (1988) identified five dimensions of service quality (viz. reliability, responsiveness, assurance, empathy, and tangibles) that link specific service characteristics to consumers' expectations.

- a) Tangibles - physical facilities, equipment and appearance of personnel
- b) Empathy - caring, individualized attention
- c) Assurance - knowledge and courtesy of employees and their ability to convey trust and confidence
- d) Reliability - ability to perform the promised service dependably and accurately
- e) Responsiveness - willingness to help customers and provide prompt service.

Esterik-Plasmeijer (2016) identifies six determinants of trust and loyalty: fitness, solidness, respectability, customer introduction, straightforwardness, and esteem harmoniousness. The authors say that post financial crisis of 2008, trust in banks and financial institutions has declined across nations.

Telecom sector is one sector where customer loyalty is key since the customer has choices and the telecom market is highly competition driven. Loyalty contributes to customer attraction and profits enhancement since the cost of attracting new customers is at least five

times higher than the cost of retaining existing ones. Izogo (2017) says, a firm can impact customer loyalty through customer responsibility by utilizing two aspects of service quality: benefit affirmation and unwavering service quality. The authors while analysing Nigerian telecommunication industry which is highly competitive due to the presence of established competitors and the mature status of the market. Nigerian telecom sector was witnessing a customer turnover rate of 40 per cent. The author while studying Nigerian telecom industry defined perceived service quality from the managerial point of view when he noted that "managing perceived service quality means that the firm has to match the expected service and perceived service so that consumer satisfaction is achieved". Thus, perceived service quality is a key indicator of performance.

According to Edvardsson et al (2000), customers' loyalty is defined as customers' predisposition to repurchase from the same firm or same brand over time. The relationship between service quality and customers' loyalty has been found to hold in other climes and industry such as the telecommunication industry. Loyalty can be due to various factors like, switching costs, positive word-of-mouth, meeting expectations, service quality etc., which are correlated to customer satisfaction. The concept of 'spuriously loyal' customers makes it logical to deduce that some customers remain with service providers due to switching costs implications. Switching costs are incurred when customers switch to other providers. Therefore, switching costs restrain customers from exiting a provider as a result of inconveniences, penalties, psychological costs, among others. Word-of-mouth may be positive or negative; however, a positive word-of-mouth occurs when current customers are willing to recommend to others.

According to a research conducted by Aditya Shrivastava et al (2012), where structural equation model was used to analyse effects of customers 'perceived service quality, showed that trust, and customer satisfaction drive customer loyalty in telecommunication industry. The results of the study

indicate that trust and customer satisfaction are significantly and positively related to customer loyalty. Also the study found customer satisfaction to be an important mediator between perceived service quality and customer loyalty.

Ganguli and Roy, (2011) say that the factors of service quality measurements in the technology-based banking services are: customer service, technology security and data quality, technology comfort, technology utilization effectiveness and dependability. The authors found that customer service and technology use ease and dependability have positive and huge effect on customer satisfaction and customer loyalty. It was additionally discovered that technology accommodation and customer satisfaction have positive effect on customer loyalty.

Dinesh D. H and Tatuskar (2014) distinguish the different variables that affect customer satisfaction in banks in India. Customer satisfaction in banking is on the decrease, with a few reports demonstrating that 70% of customers leave as a result of poor service. The authors found that there is correlation between long duration relationship in banks and customer satisfaction, which in turn results in customer loyalty.

The use of CRM (Customer Relationship Management) software plays a vital role in retaining customers in the banking industry. CRM helps the banks understand the needs and expectations of the customers by data analytics and accordingly helps the companies to implement strategies in acquiring, retaining and developing customer base.

Singh and Rahul (2010) through their study have established that technology-enabled services like internet-banking, tele-banking, mobile Banking and Automated Teller Machines (ATMs) provide huge advantage to banks in retaining customers.

Wua Y L (2013) found that customer satisfaction does not have significant influence on customer contribution. Their study showed that while product and service quality has a significant influence on customer satisfaction, they do not influence customer contribution. It was found that customer assets

(financial assets saved and invested in the financial institution) have a direct influence on customer contribution.

The study by Zameer (2014) shows that "there is a positive relation between the service quality, customer satisfaction and corporate image". Their study also showed that service quality, customer satisfaction and corporate image has a high influence on the customer perceived value.

E-commerce has become a disruptive force in not only the retail industry but also in industries like traveling, banking, media, hospitality etc.

Bhattacharya and Mishra (2015) say that the factors responsible for growth of E-commerce in India are: growth in internet Usage, use of plastic money, use of devices, growth in disposable income etc. The challenges faced by e-commerce players are: merchandise return, penetration of internet, problem of payment gateways, infrastructural issues, cash on delivery as the preferred mode etc. They say that if these challenges are managed better, service quality will improve which in turn will result in increased customer loyalty.

Yang (2005) speaks about online tourism sector of e-commerce. Online travel sites provide consumers with various travel information in the virtual environment. When consumers register to be members of a virtual community, they can participate in forums and blogs to exchange travel-related information. Members of the virtual community provide help to others and receive help from others. When searching for travel-related information, they may value the input they get from members of the virtual community more than that from external sources (e.g. advertisements). Interactions with other members create social bonds between members and increase satisfaction levels with the travel community, which in turn leads to an increase in member loyalty.

## 2.2 NET PROMOTER SCORE - THE TOOL

A major tool that is used to measure the customer satisfaction and loyalty in organisation is "Net

Promoter Score (NPS)". The key architect of the tool is Fred Reicheld, a Fellow at Bain & Company. In the book "The Ultimate Question 2.0", Fred Reicheld and his co-author Rob Markey (2011) have thrown light on NET PROMOTER SCORE (NPS), and shows how to approach business through good profits by ethical means instead of bad profits just by exploiting the customers.

The authors of NPS say that the satisfaction and loyalty of a customer towards a product/ service can be ascertained by asking just one question -

**"On a scale of zero-to-ten scale, how likely is it that you would recommend us to a friend or colleague?"**

Based on the ratings given by the customers to the above question, NPS classifies customers into 3 types:

1. Promoters: People who rate the company 9 or 10 and are very loyal to the company and spread a positive word of mouth.
2. Passives: People who rate the company 7 or 8, passively satisfied. They neither talk good or bad about the company.
3. Detractors: People who rate 6 or below, who are very dissatisfied, dismayed about their encounter with the company.

Based on this simple survey, according to the authors, Net Promoter Score can be defined as

$$\text{NPS} = \% \text{ promoters} - \% \text{ detractors}$$

The authors claim that this metric is simple, powerful and easy to understand. The authors show how to use the Golden Rule - treating others as you'd want to be treated - to do this and thrive in a customer-driven world through profitable customer relationships. The authors cite a lot of examples about the companies which were customer centric and making good profits. Among which were Zappos, Walmart etc., had great revenue models keeping the customers in the centre. The authors claim that how a company connects to the customers makes that connection worthy for the

company which in turn will result in spending less on the advertising. This is because the customers themselves recommend and promote the company to their friends and colleagues.

The companies can also add one more open ended question to the survey -

**"What is the primary reason for your score?"**

The NPS includes mainly three things,

- Categorising the customers into promoters and detractors.
- Creating 'closed-loop' learning and improvement processes to increase promoters and reduce detractors at an operational level. If your NPS score drops, investigate the source of bad business - and put it right
- Treating the creation of more promoters and fewer detractors as mission critical at board level. Developing relationships worth of loyalty is either a strategic priority or it isn't.

According to the authors, NPS is for companies that treat customer loyalty as a strategic priority.

The data says, a firm can increase their revenue 25-100% with an increase in retention rate. But, to ensure retention rates, the company has to build worthy relationships with the customers, and it does not come for free. The company needs to invest on retaining customers and reduce reliance on bad profits. The question is, how to convert a detractor into passive or promoter, and would it be worthy to raise the relative NPS by 10 points.

NPS is all about prioritising the customers strategically and focussing operationally on customer loyalty, by applying the Golden rule- "Treat customers as you'd want to be treated". The 3 keys to NPS success are:

- Embracing the goal of customer loyalty as a mission-critical priority at CEO and board level, and understanding the economic, inspirational and moral imperative that a focus on driving loyalty offers

- Hardwiring NPS monitoring feedback into key decision processes and integrating it into operational priorities throughout the organisation to create closed-loop learning and improvement. In other words, not treating it just as a metric is critical to success
- Adopting NPS as solution for driving long-term customer-centric cultural change, rather than a short-term program or initiative, and realising that the change must touch every part of the organisation

Although some of the companies (Apple, JetBlue, etc) have started to follow customer centricity concept, it is quite hard to break the stereotype and legacy systems and also prioritisation of customer loyalty by the companies. The market leaders such as Apple, Amazon and Costco have high NPS scores of above 60, whilst average firms have a NPS score of 10-20%.

The eight important principles of NPS are,

1. Ask the Ultimate Question and Very Little Else
2. Choose a scale and stick to it
3. Avoid Confusion Between Internal Scores and External Scores
4. Aim for High Response Rates from the Right Customers
5. Report and Discuss NPS Data as Frequently as Financial Data
6. Learn Faster and Improve Accountability with More Granular Data
7. Audit to Ensure Accuracy and Freedom from Bias, Principle
8. Validate that Scores Link to Behaviours.

The Net Promoter System is like an arch built from two pillars - one economic and the other inspirational. Both are needed for driving growth through good profit. The economic pillar is for investing to attract and retain customers and to calculate ROI. The



inspirational pillar of NPS is about helping organisations enrich people's lives by providing a simple decision rule or 'heuristic'.

The authors cite the examples of quite a few companies that have adopted NPS and have seen phenomenal results. A few of them are as below:

Charles Schwab Corporation - Post implementing NPS, the company has seen the score improve from -35% to +35% and the company also regained its leadership position in the industry.

Apple: Apple stores began measuring NPS when they had 163 stores. The NPS then was 58%, which improved to 70% when the score count became 320. The best stores have been achieving an NPS of 90%. Consequently, Apple's revenue is estimated at \$6000 per square foot compared to other electronics store whose revenue stood at \$1200 per square foot.

Ascension Health: The largest Catholic not-for-profit healthcare system in US operated 78 hospitals with operating revenues of \$14.8 billion. When they started implementing NPS, the best and worst scores for its unit hospitals were 83 and 21. Post implementing NPS, the score jumped to 93 and 40. System-wide performance improved from 58% to 68% that clearly shows the improvement in patient satisfaction.

Rackspace: NPS helped this San Antonio based tech company to weather the financial crisis of 2008. Thanks to NPS, the company went on an overdrive to connect with passives and detractors post the crisis. This helped to increase the NPS score by 20 points to 63%. Customer churn rates also declined by more than a third from 3% to 1.9%.

Overall, NPS leaders in the US (companies with the highest NPS scores in their category) grow at over twice the rate of the category average. And whilst only 9% of US companies surveyed by Bain & Co have registered sustained profitable growth of 5%+ over the last decade, those 9% have an NPS score 2.3 times those of industry averages. In dealing with these opportunities and challenges it is important to keep front of mind the purpose of the Net Promoter System

- as a solution for creating a customer-centric organisation that prioritises customer loyalty with decisions that enrich lives, rather than diminish them.

The question arises as to why NPS is such critical and is important for the companies and have to make an effort to adopt it. Net promoter Score provided an industry standard, quantifiable and easy to institutionalize metric to measure customer satisfaction. NPS coupled with type of customer can give us better understanding of the customer sentiments of different customer segments. NPS framework can be used to segment customers based on satisfaction and loyalty.

## 2.3 RESEARCH STUDIES ON NET PROMOTER SCORE

Bendle and Bagga (2016) analysed the efficacy of NPS as a marketing metric. The author says that though the metric is quite simple to implement, it comes with its own perils. The authors opine that in order to get a high "recommendation" score, the company will have to sacrifice profits, especially in an inelastic industry. The authors cite the scaling as another problem. Also not much of study was done on NPS by academic researchers due to the difficulty of forming control group. The authors finally conclude that "critics of NPS have not been able to definitively show that NPS doesn't work; nor have supporters definitively shown that it does work".

Keiningham et al (2008), through their research tested the two key claims of NPS viz., whether (a) NPS can be the single most reliable indicator of a company's ability to grow and (b) whether NPS is superior to other customer satisfaction measures. The authors studied the data published by NCSB (Norwegian Customer Satisfaction Barometer) with the revenue growth or fall of the company. They found that the satisfaction and/or loyalty metrics of NCSB were significantly correlated with the relative change in revenue of the company in a particular industry, thus disproving that the claim that NPS alone can be the single most reliable indicator of company's growth. The authors studied the ASCI (American Customer

Satisfaction Index) data vis a vis NPS data with respect to recommend and repurchase intent and behaviour. The authors found that with NPS data, there was only weak correlation between recommend intent and repurchase behaviour. This disproved the second claim that NPS is superior to other customer satisfaction measures.

According to Faltejskova et al (2016), in the current global economic conditions, which is unsteady, turbulent and tumultuous, it is important to alter the course business to more execution oriented. As it is likewise a customer arranged market, to exceed expectations in the execution factor, it is particularly important to know and comprehend where the organization remains in the customer perspective. NPS is utilized not just as a pointer for the customer satisfaction and loyalty estimation, yet additionally has a considerably more extensive use as an administration framework. The NPS isolates the customers into 3 classifications, promoters, spoilers and passives. In view of the social contrasts amongst America and Europe the NPS estimation is lower in Europe than it is in US. NPS ends up being best fit for the customer satisfaction metric and loyalty marker. NPS depends on customer communication and input. This expands the connection between customer, workers and the management thus building upon execution of management strategy.

Žnidar et al (2014), speaks about nautical tourism in Croatia and the use of NPS there. Net Promoter Score (NPS) has been shown to be better in measuring pertinent states of mind of the customer and also was found to be an intense indicator of conduct loyalty. The authors found that the factor 'belongingness to community" strongly correlates to satisfaction and thus tourist loyalty in the area of nautical tourism. Though the authors used multiple factor customer satisfaction study to determine the loyalty, they conclude that recommendation intention measured through NPS can be used as a proxy for loyalty.

Alhassan et al, (2016) speaks about using NPS in healthcare industry in Ghana. Net promotor score

(NPS) is an indicator used to determine the possibility of the healthcare client recommending the health facility to a fellow client (e.g., relative, friend or co-worker) based on their personal experiences of the quality of health service delivery. The authors used NPS in addition to nine other healthcare quality factors viz., (1) staff attitude, (2) punctuality to work, (3) client waiting time, (4) queuing system, (5) availability of drugs, (6) information provision to clients, (7) equal treatment for insured and uninsured clients, (8) complaint system for clients, and (9) client-provider communication. The authors conclude that private facilities are rated higher than public facilities in all factors. Specifically the likelihood of community members recommending their nearest health facility to friends and relatives (net promotor scores) was also rated high for private facilities compared to public facilities.

Sharif (2008), while studying the pharmaceutical sector in UK throws light on the impact of ICT (information and communication technology) on the sales representatives internal and external relationships. The authors aver that NPS can be used to identify the customers who are least likely to defect(promoters) and also weed out the least profitable customers(detractors). ICT can be a clear enabler in implementing NPS in the pharmaceutical industry.

Aksoy (2014) opines that customer satisfaction measures and NPS are poor predictors of customers' share of deposits. The author says that it is not absolute satisfaction that determines customers' share of deposits, but the relative satisfaction vis a vis other banks that the customers use. Instead of customer satisfaction measures and NPS, the author used the "wallet allocation rule (WAR)" approach which determines the customers' share of deposits in a particular bank. The WAR is based on relative ranking of different firms/ brands that the customers use.

Mittal (2016), in a retrospective study of customer satisfaction between the years 1998 and 2016 finds that the disconnect between customer satisfaction and loyalty has not been adequately explained or bridged.

The author feels that NPS has penetrated into the customer satisfaction/ loyalty research and most of the researchers now include "likely to recommend" measure. However he surmises that in addition to "likely to recommend", "repatronage intention" should also be measured.

Pollák and Dorcak, (2016), measured the NPS scores of e-commerce companies in Slovakia. The authors found that the NPS scores of all the major players were negative - from -15% to -61%. The study also identified factors that the customers look for in e-commerce website.

A study by Jang, et al (2013), showed that in a retail setting, "the effects of relationship quality on store loyalty is greater on groups with higher NPS". The study also showed that the effects of satisfaction and reliability on store loyalty was greater on groups with higher NPS.

Debra S Perkins (2012) tried to bring link between the dissatisfaction and complaining behaviour and the variables that causes these are attitudinal, normative, personal and situational factors.

Grisaffe (2007) suggests a one-dimensional Net Promoter Score. But also says that the NPS is weak in multi-dimensional attribute. The writers of the paper say that price is a sensitive and yet important part of decision making process. It is found that very expensive products and services is very likely to draw complaints than very low priced goods.

The pros and cons are explained as,

Pro: It's simple. Fans and critics alike praise the benefits of understanding one number that's derived from an easy to understand formula. Fred Reichheld, one of the co-founders of the score who made it famous with his book "The Ultimate Question," argues that research among thousands of customers in different industries tied the New Promoter question to the most referrals and repeat purchases - and that the "ultimate question" can be the key metric for measuring success. And for busy executives who often get confused by market researchers' analysis, claims are that it can be a

Godsend.

Con: It's too simple. The Net Promoter site will say that measuring one number alone will not lead to success and will supply customers with an operational model, white papers, online forums, Webinars and even conferences to get you to a successful score. But one number isn't enough, critics argue. "It doesn't identify problems; it doesn't offer solutions," says Charlie Scott of Woodland, O'Brien & Scott, a customer satisfaction and management consultancy.

For all its advantages and disadvantages, Net Promoter Score is a very popular tool and accepted by companies across the world to measure customer satisfaction and loyalty. A few global companies that have adopted NPS are as below (Source: <https://www.netpromotersystem.com/about/companies-that-use-net-promoter/>) :

### Airlines

- Delta Airlines
- Southwest Airlines
- Qantas
- JetBlue

### Consumer products

- P&G
- Lego
- Grohe

### Healthcare

- Johnson & Johnson
- Novartis
- Cigna

### Telecom

- AT&T
- T-Mobile
- Verizon
- Vodafone
- Orange

## Retail

- BestBuy
- Home Depot
- Zappos
- Technology
- Amazon
- Apple
- Facebook
- HP

- Logitech
- SAP
- Dell

## Financial Services

- Allianz
- Citigroup
- HSBC
- ING
- American Express

**Table 1**

Source: [https://npsbenchmarks.com/industry/consumer\\_brands](https://npsbenchmarks.com/industry/consumer_brands)

Industry	Best Performer		Worst Performer		Average Industry Score
	Company	Score	Company	Score	
Retail	Trader Joe's	62	Morrisons	2	29
Internet	Flipkart	70	Wayfair LLC	23	43
Banks	Metro Bank	80	Goldman Sachs	5	34
Airlines	Southwest	62	American Airlines	3	27

## 3. RESEARCH DESIGN

### 3.1 Statement of Problem

NPS surveys are routinely conducted by Bain & Co and other third party companies (as part of syndicated research) in US and other developed economies. For example the Jan/ Feb 2018 survey by Bain & Co, US indicates the following scores (Table 1) for the best and worst performing brands (large companies category) in a few select industries (based on the data available):

NPS as a tool is also being used by several Indian companies across the spectrum to measure customer satisfaction. However, the data regarding the same is not publicly available for customers to make an informed decision. This research will aim at bridging this gap. This research will focus on three industries - Telecom, banking and on-line retail.

### 3.2 Research Objectives

The research aims at assessing the "net promoter scores" of three industries - specifically the scores of the top three - four major players in that industry.

Specifically the objectives of this research are:

- To assess the NPS scores of the following companies/ brands of three industry
  - o Telecom - Airtel, Vodafone Idea, Reliance Jio, BSNL
  - o B2C e-commerce - Flipkart, Amazon, Myntra,
  - o Banks - SBI, ICICI, HDFC, Axis Bank, Canara Bank
- To assess the key factors the 'promoter' customers consider while rating the service provider
- To assess the key factors the 'detractor' customers consider while rating the service provider
- To identify the factors that the service providers can pursue to earn customer satisfaction and loyalty

### 3.3 Descriptive Research

Descriptive research is used to "describe" a subject, situation, phenomenon or behaviour. They are

generally used in studies that are concerned with finding out "what is". Net promoter score (NPS) research is essentially descriptive research that helps in observing and describing the customers' satisfaction and loyalty. NPS survey, defacto consists of only three questions - the first measures customer loyalty score and is quantitative and the second and third question gives the critical feedback and is qualitative.

### 3.4 Questionnaire Design

The questionnaire had four parts - the first part consisted of demographic details and the next three parts consisted typical NPS questions targeted at three sectors - (i) mobile service, (ii) on-line retail and (iii) banking respectively. For each sector, there were just four questions related to:

1. identifying the service provider the respondent uses most often
2. NPS tool Likert scale (with a scale of 0 to 11)
3. Feedback on the reason for the respondent's rating and
4. What the respondents look for in the company to ensure highest score on NPS scale (of

customer satisfaction/ loyalty)

### 3.5 Sampling & Data Collection

A research of this nature will be relevant only if the data is collected on a "pan India" basis. Accordingly, the data was collected from the following cities:

Ahmedabad	Benguluru	Bhubaneshwar
Bikaner	Delhi	Hubli
Hyderabad	Kochi	Kolkata
Mumbai	Vizag	

The total sample size was 1200. However, depending on the sector, the number of samples per service provider varied. For example, in sectors where only 3-4 major players (Telecom, on-line retail), the respondents per service provider turned out to be between 100 to 400, while in sector where substantial number of players are present (banking), the respondents per service provider varied between 50 to 400.

## 4. DATA ANALYSIS & FINDINGS

### Data Analysis

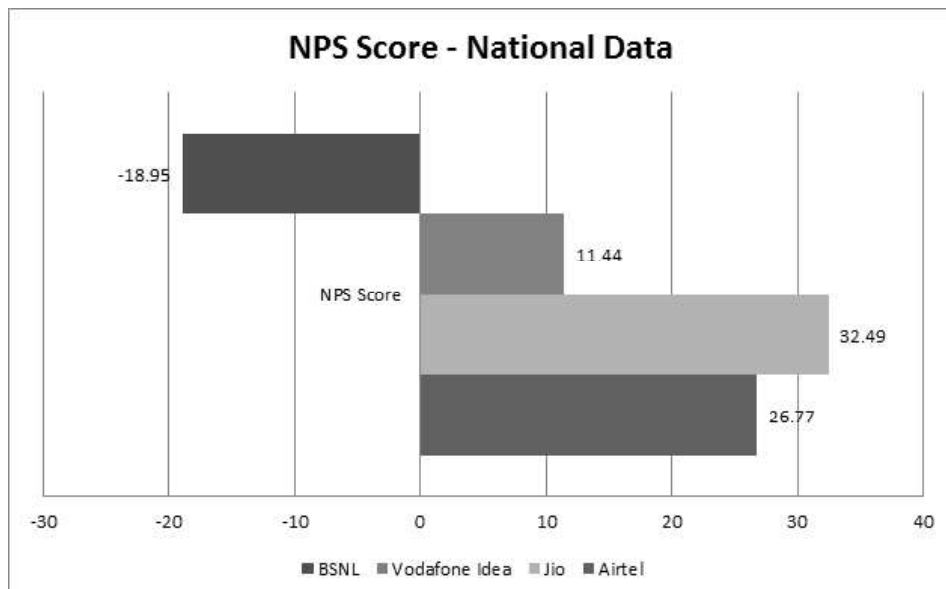
The net promoter score analysis is a simple percentage analysis and hence no statistical tools were used in analysing the data. It should be noted that the NPS score in the chart are given in fractions, whereas the NPS is generally rounded off (as shown in table).

## 4.1 Mobile Services

Table 2 : Net Promoter Score - Mobile Services– National Data

Service Provider	Total respondents	Detractors	Passives	Promoters	NPS Score	NPS Score (rounded off)
Airtel	381	52	175	154	26.77	27
Jio	277	47	93	137	32.49	32
Vodafone Idea	341	70	162	109	11.44	11
BSNL	95	39	35	21	-18.95	-19
Others	24	8	10	2	-30.00	-30
Total	1118	216	475	427	18.87	19

Figure 3



**Table 3 : Net Promoter Score - Mobile Services - Bangalore Data**

Service Provider	Total respondents	Detractors	Passives	Promoters	NPS Score	NPS Score (rounded off)
Airtel	141	9	60	72	44.68	45
Jio	73	9	20	44	47.95	48
Vodafone Idea	114	18	49	47	25.44	25
BSNL	26	8	9	9	3.85	4
Others	4	1	2	1	0.00	0
Total	358	45	140	173	35.75	36

**Figure 4**

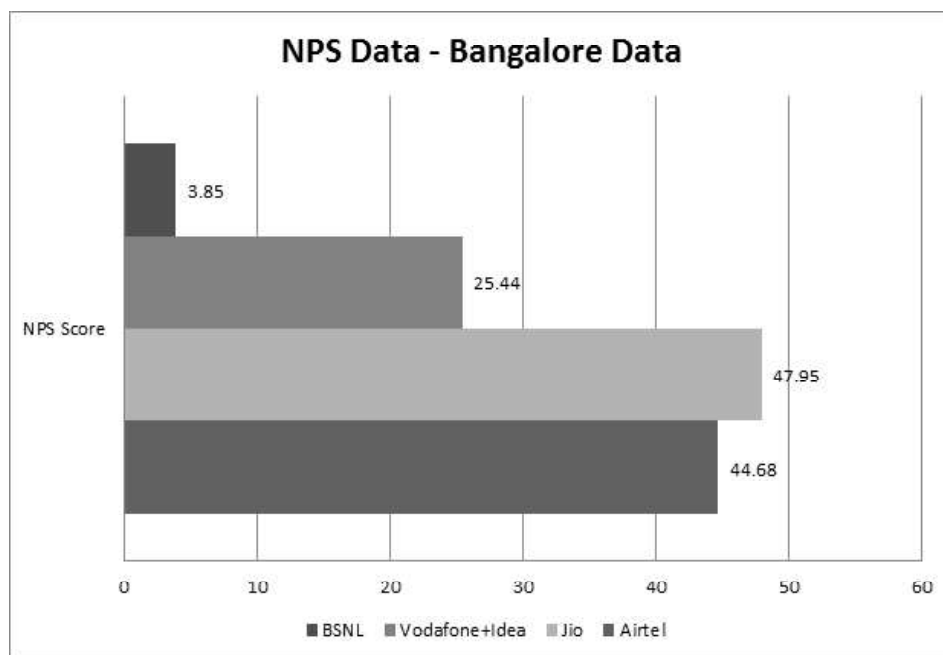
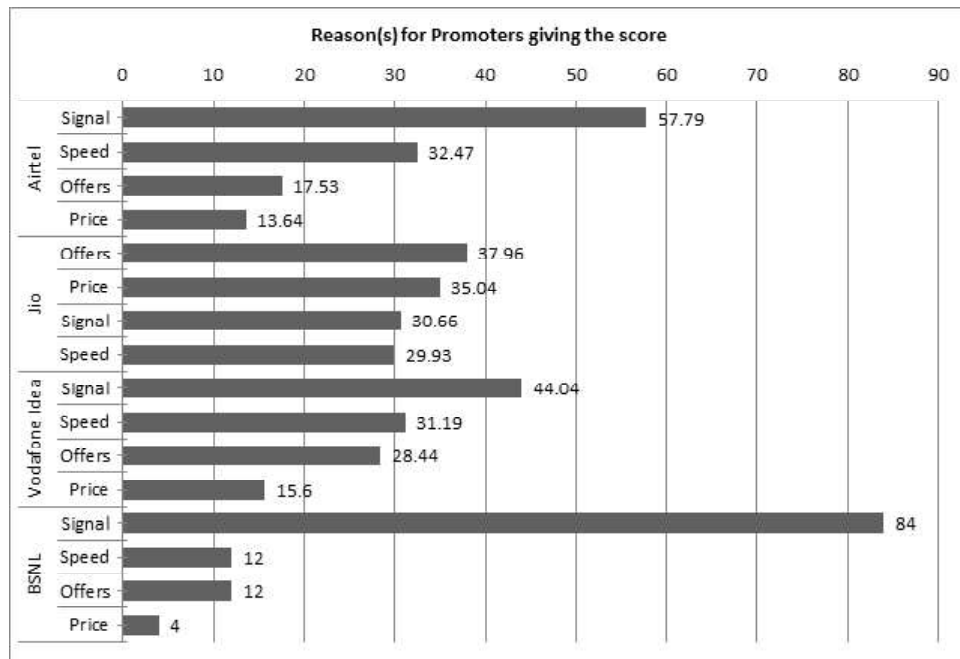


Table 4 : Reasons for Promoter customers of mobile service providers for giving the score

Promoters					
Service Provider	Frequency				
	Nos.	Offers	Price	Speed	Signal
Airtel	154	27	21	50	89
Jio	137	52	48	41	42
Vodafone dea	109	31	17	34	48
BSNL	25	3	1	3	21
	Percentage				
	Nos.	Offers	Price	Speed	Signal
Airtel	154	17.53	13.64	32.47	57.79
Jio	137	37.96	35.04	29.93	30.66
Vodafone Idea	109	28.44	15.60	31.19	44.04
BSNL	25	12.00	4.00	12.00	84.00

Figure 5





**Table 5 : Reasons for Detractors/ Passives customers of mobile service providers for giving the score**

Promoters					
Service Provider	Frequency				
	Nos.	Offers	Price	Speed	Signal
Airtel	227	38	30	54	138
Jio	140	51	54	36	44
Vodafone Idea	232	59	52	55	107
BSNL	74	19	10	12	39
	Percentage				
	Nos.	Offers	Price	Speed	Signal
Airtel	227	16.74	13.22	23.79	60.79
Jio	140	36.43	38.57	25.71	31.43
Vodafone Idea	232	25.43	22.41	23.71	46.12
BSNL	74	25.68	13.51	16.22	52.70

**Figure 6**

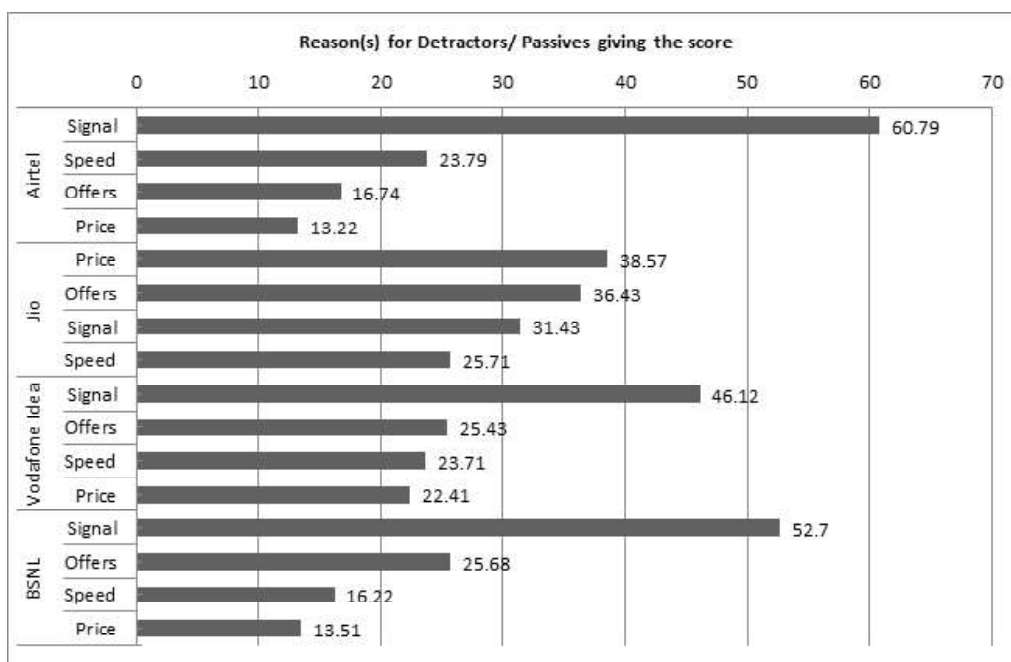
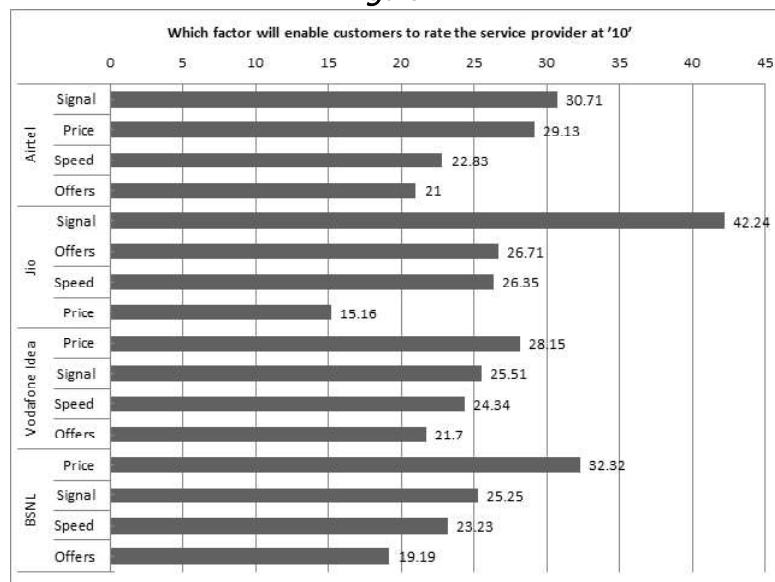


Table 6 : Which factor will enable mobile services customers to rate the service provider at '10'

Promoters					
Service Provider	Frequency				
	Nos.	Offers	Price	Speed	Signal
Airtel	381	80	111	87	117
Jio	277	74	42	73	117
Vodafone Idea	341	74	96	83	87
BSNL	99	19	32	23	25
	Percentage				
	Nos.	Offers	Price	Speed	Signal
Airtel	381	21.00	29.13	22.83	30.71
Jio	277	26.71	15.16	26.35	42.24
Vodafone Idea	341	21.70	28.15	24.34	25.51
BSNL	99	19.19	32.32	23.23	25.25

Figure 7



#### 4.1.1 Discussion - Mobile Services

The data very clearly shows that when it comes to customer satisfaction and loyalty as measured through Net Promoter Score, Jio is ahead of other mobile service providers. On analysing national data, Jio has an NPS score of 32 compared to Airtel's 27 and Vodafone Idea's 11. BSNL and others' score are negative which is further reinforcement of falling market share of BSNL. The NPS data in Bangalore also puts Jio ahead with an NPS score of 48 as compared to Airtel's 45 and Vodafone Idea's 25.

The data shows that NPS score of all three service

providers in Bangalore are much ahead of their national scores. This could be because of better service and connectivity in Bangalore compared to other locations.

While analysing the reasons for why the promoters gave the rating, they varied between service providers. Almost 60% of the 'promoter' customers of Airtel have given the 'signal strength' as the reason for giving the rating followed by 'speed'. For Vodafone Idea also, the same factors held strong. However for Jio, the reasons given by the promoters are totally different. In Jio's case, it is 'offers' and 'price' that resulted in promoters giving their rating.

Interestingly, while analysing the data of detractors/passives, 'signal strength' remained their major concern areas of all the customers. Also as a response to the question, "what factor will enable customers to rate the service providers at 10?", again largest percentage of customers of all mobile service providers have indicated 'signal strength' as the key factor, followed by price and offers.

The data clearly shows that if the services provider has to build a strong and loyal customer base, the most important factor that they should focus on is 'signal strength', followed by 'price'. Also the above discussion shows that the mobile services providers in India have a very long way to go in terms of customer satisfaction and loyalty as measured by NPS.

## 4.2 On-line Retail

**Table 7 : Net Promoter Score - Online retail - National Data**

Service Provider	Total respondents	Detractors	Passives	Promoters	NPS Score	NPS Score (rounded off)
Amazon	418	41	157	220	42.82	43
Flipkart	286	42	139	105	22.03	22
Myntra	99	16	39	44	28.28	28
Others	315	61	150	104	13.65	14
Total	1118	160	485	473	28.00	28

**Figure 8**

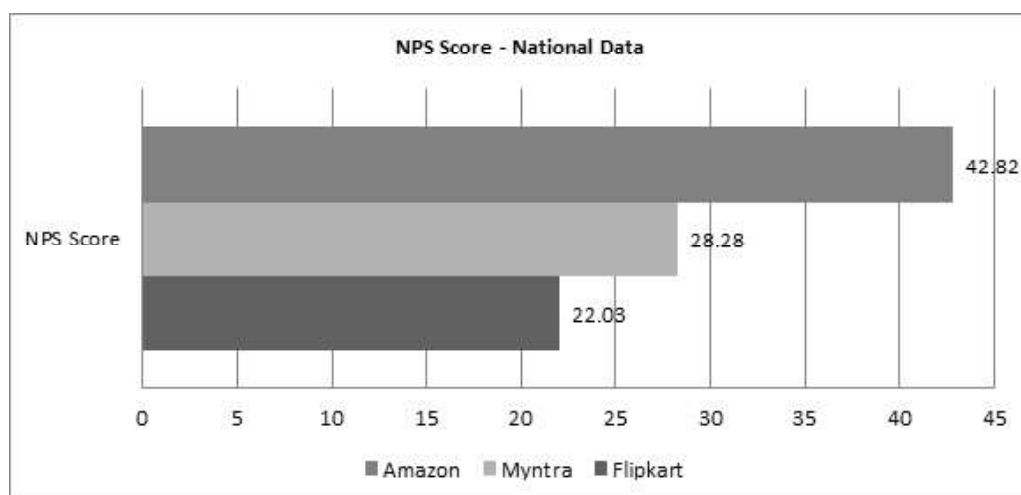
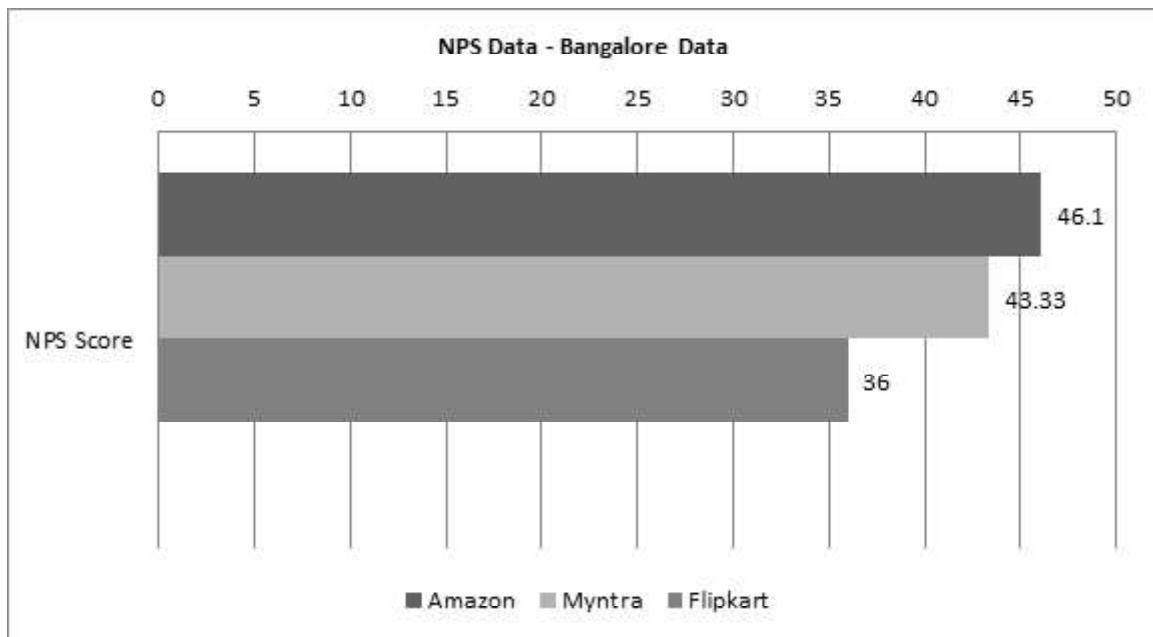


Table 8 : Net Promoter Score - Online Retail - Bangalore Data

Service Provider	Total respondents	Detractors	Passives	Promoters	NPS Score	NPS Score (rounded off)
Amazon	141	12	52	77	46.10	46
Flipkart	75	5	38	32	36.00	36
Myntra	30	1	15	14	43.33	43
Others	112	14	53	45	27.68	28
Total	358	32	158	168	37.99	38

Figure 9



**Table 9 : Reason(s) for Promoter customers of Online Retail for giving the score**

Service Provider	Frequencies							
	Nos.	Delivery Speed	Ease of Refund	Offers	Price	Ease of Search	Package	Quality
Amazon	220	116	57	40	34	40	55	60
Flipkart	105	48	32	33	13	17	28	19
Myntra	44	15	24	9	10	7	5	10
Service Provider	Percentage							
	Nos.	Delivery Speed	Ease of Refund	Offers	Price	Ease of Search	Package	Quality
Amazon	220	52.73	25.91	18.18	15.45	18.18	25.00	27.27
Flipkart	105	45.71	30.48	31.43	12.38	16.19	26.67	18.10
Myntra	44	34.09	54.55	20.45	22.73	15.91	11.36	22.73

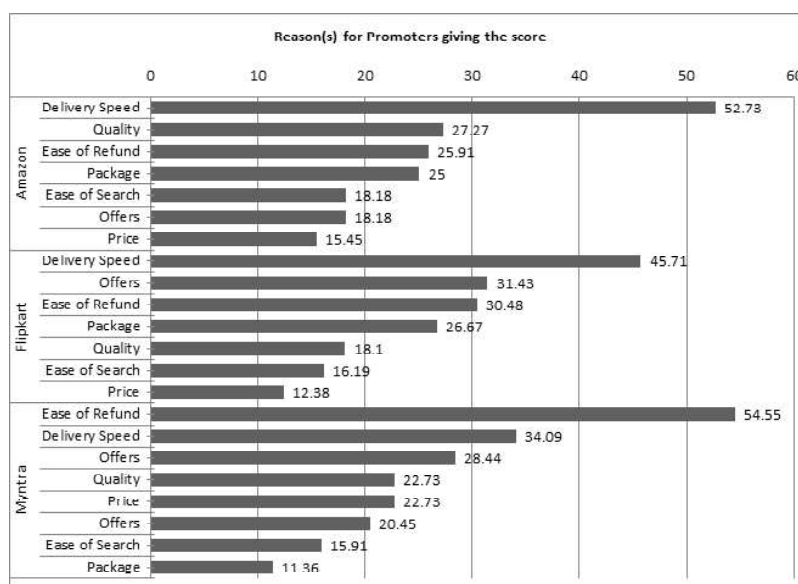
**Figure 10**


Table 10 : Reason(s) for Detractors/ Passives customers of Online Retail for giving the score

Service Provider	Frequencies							
	Nos.	Delivery Speed	Ease of Refund	Offers	Price	Ease of Search	Package	Quality
Amazon	198	88	55	29	43	35	29	55
Flipkart	181	53	52	46	40	31	42	61
Myntra	55	17	24	11	8	8	11	13
	Percentage							
	Nos.	Delivery Speed	Ease of Refund	Offers	Price	Ease of Search	Package	Quality
Amazon	198	44.44	27.78	14.65	21.72	17.68	14.65	27.78
Flipkart	181	29.28	28.73	25.41	22.10	17.13	23.20	33.70
Myntra	55	30.91	43.64	20.00	14.55	14.55	20.00	23.64

Figure 11

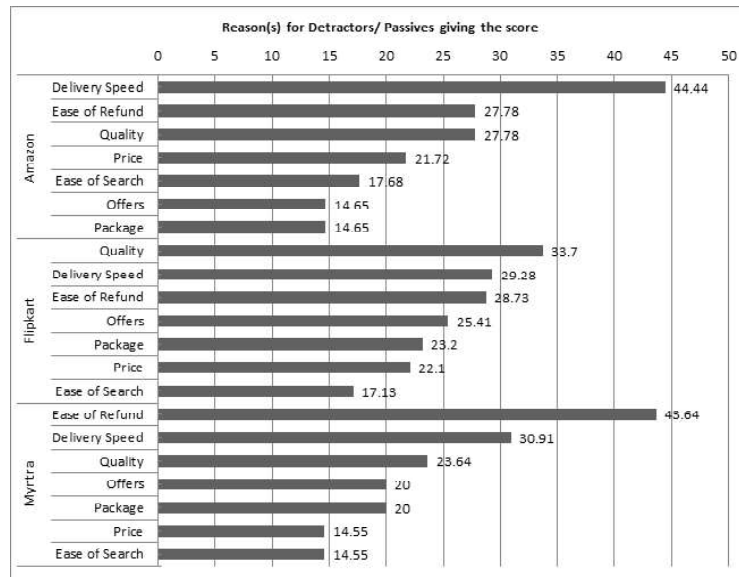
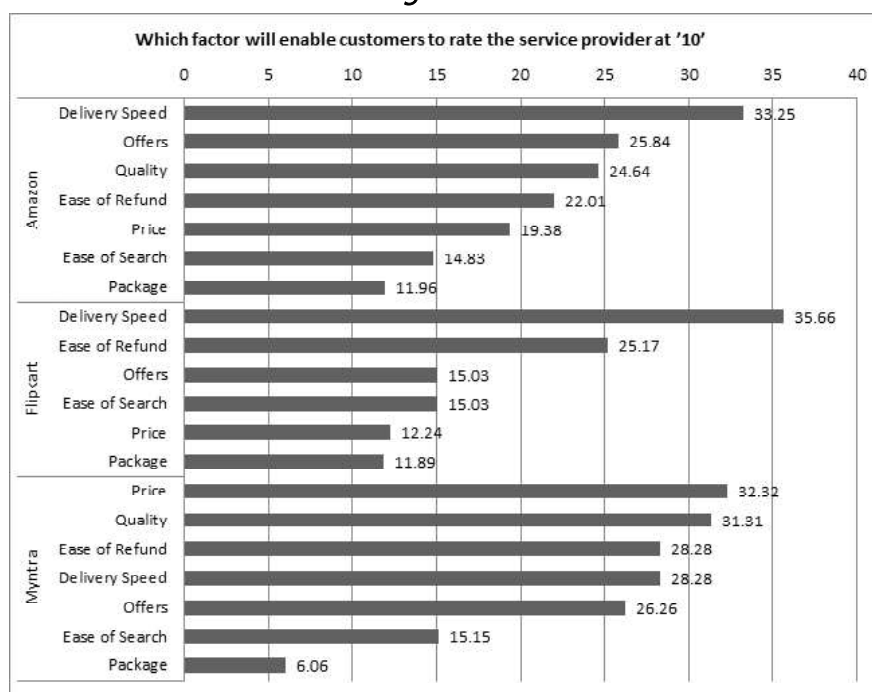


Table 11 : Which factor will enable customers of Online Retail o rate the service provider at '10'

Service Provider	Frequencies							
	Nos.	Delivery Speed	Ease of Refund	Offers	Price	Ease of Search	Package	Quality
Amazon	418	139	92	108	81	62	50	103
Flipkart	286	102	72	43	35	43	34	69
Myntra	99	28	28	26	32	15	6	31
	Percentage							
	Nos.	Delivery Speed	Ease of Refund	Offers	Price	Ease of Search	Package	Quality
Amazon	418	33%	22%	26%	19%	15%	12%	25%
Flipkart	286	36%	25%	15%	12%	15%	12%	24%
Myntra	99	28%	28%	26%	32%	15%	6%	31%

Figure 12



#### 4.2.1 Discussion - On-line Retail

The data very clearly shows that when it comes to customer satisfaction and loyalty as measured through Net Promoter Score, Amazon is ahead of other on-line retail companies. On analysing national data, Amazon has an NPS score of 43 compared to Flipkart's 22 and Myntra's 28. The NPS data of Bangalore also puts Amazon ahead with an NPS score of 46 as compared to Flipkart's 36 and Myntra's 43.

The data shows that NPS score of all three service providers in Bangalore are much ahead of their national scores. This could be because of better service

and faster delivery in Bangalore compared to other locations. It is also pertinent to note that Myntra's NPS scores are ahead of Flipkart's scores nationally as well as in Bangalore.

While analysing the reasons for why the promoters gave the rating, they varied between service providers. Almost 53% of the 'promoter' customers of Amazon and 46% of the promoter customers of Flipkart have responded saying that the 'delivery speed' as the reason for giving the rating. This was followed by quality and ease of refund for Amazon, whereas it was offers and ease of refund for Flipkart. For Myntra, about 55% of the respondents have said 'ease of

refund' as the key reason for their rating. This was followed by 'delivery speed'.

Interestingly, while analysing the data of detractors/passives, 'delivery speed' remained the biggest concern for Amazon customers whereas it was 'quality' for Flipkart and 'ease of refund' for Myntra customers.

Also as a response to the question, "what factor will enable customers to rate the service providers at 10?",

again largest percentage of customers of Amazon and Flipkart have indicated 'delivery speed' as the key factor, while Myntra customers had indicated 'price'.

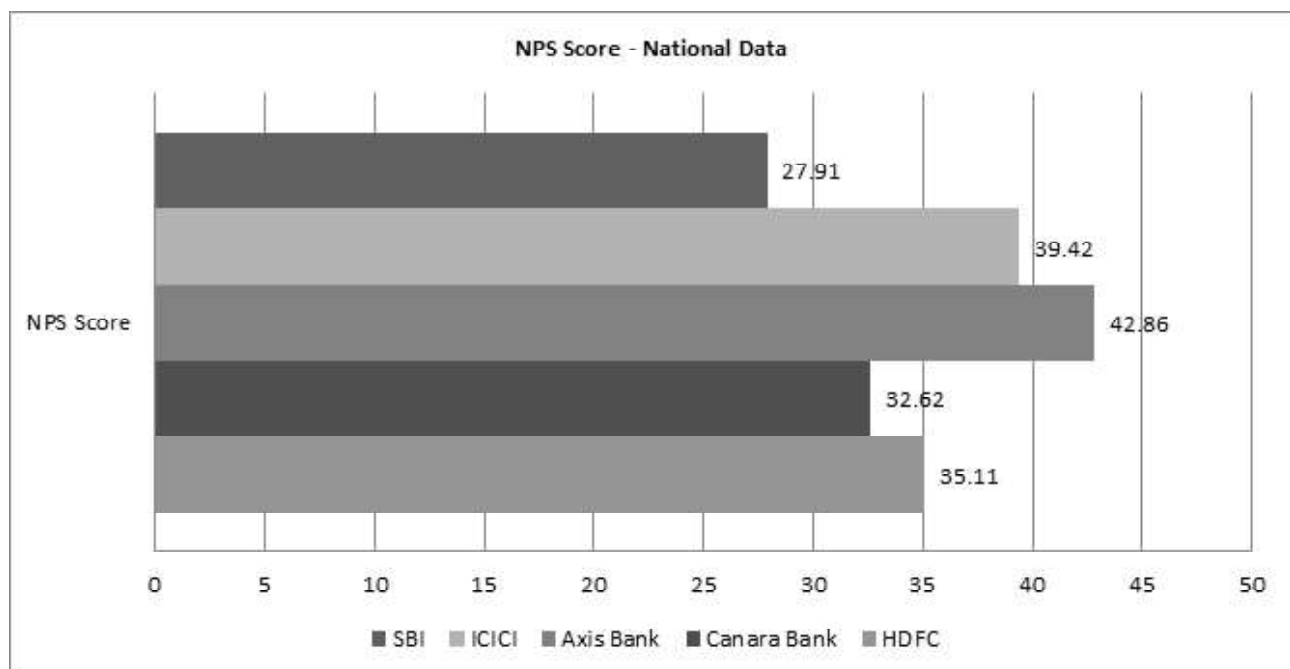
The data clearly shows that if the services provider has to build a strong and loyal customer base, the factors that they should focus on are 'delivery speed', 'ease of refund', 'quality' and 'price' - in that order. This proves that price while remaining a key factor to attract the buyers, it does not play a role in loyalty.

### 4.3 Banking

**Table 12 : Net Promoter Score - Banking - National Data**

Service Provider	Total respondents	Detractors	Passives	Promoters	NPS Score	NPS Score (rounded off)
SBI	455	54	220	181	27.91	28
HDFC	94	12	37	45	35.11	35
ICICI	104	3	57	44	39.42	39
Axis Bank	91	6	40	45	42.86	43
Canara Bank	95	5	54	36	32.62	33
Others	274	69	123	82	4.74	5
Total	1113	149	531	433	25.52	26

**Figure 13**





**Table 13 : Net Promoter Score - Banking - Bangalore Data**

Service Provider	Total respondents	Detractors	Passives	Promoters	NPS Score	NPS Score (rounded off)
SBI	142	12	66	64	36.62	37
HDFC	31	1	13	17	51.61	52
ICICI	43		25	18	41.86	42
Axis Bank	34	1	12	21	58.82	59
Canara Bank	47	1	27	19	38.30	38
Others	60	15	27	18	5.00	5
Total	357	30	170	157	35.57	36

**Figure 14**

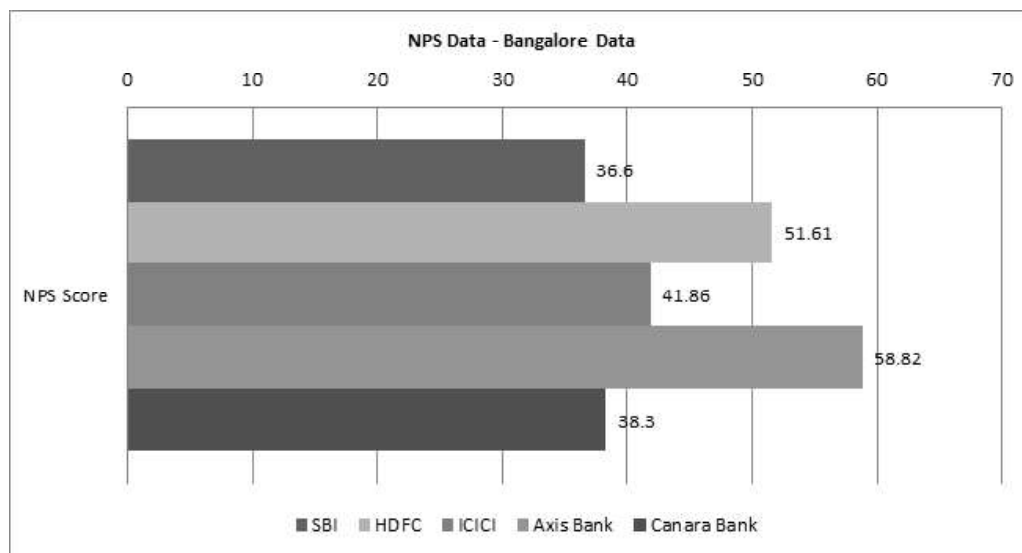
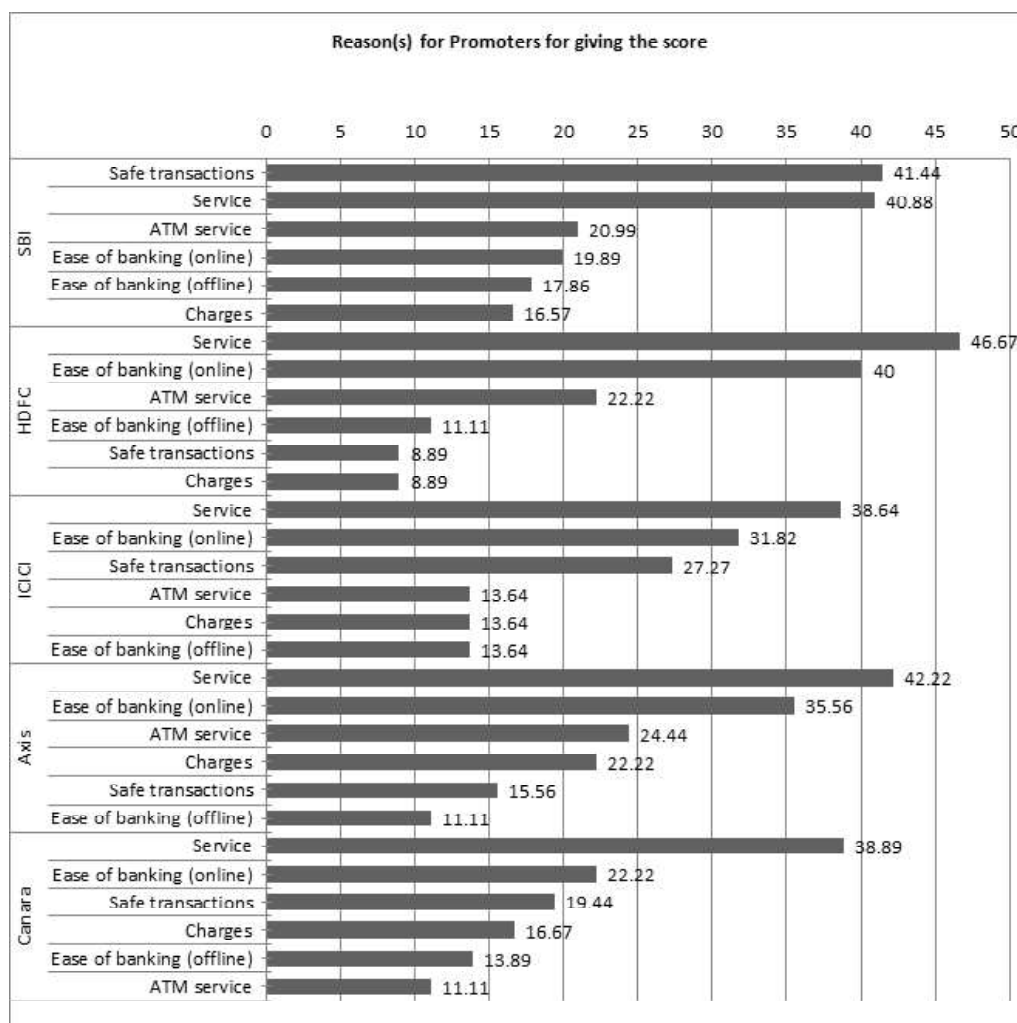


Table 14 : Reason(s) for Promoter customers of Banks for giving the score

Service Provider	Nos.	Frequency					
		Safe transactions	ATM service	Charges	Service	Ease of banking (online)	Ease of banking (offline)
SBI	181	75	38	30	74	36	32
HDFC	45	4	10	4	21	18	5
ICICI	44	12	6	6	17	14	6
Axis	45	7	11	10	19	16	5
Canara	36	7	4	6	14	8	5
Service Provider	Nos.	Percentage					
		Safe transactions	ATM service	Charges	Service	Ease of banking (online)	Ease of banking (offline)
SBI	181	41.44%	20.99%	16.57%	40.88%	19.89%	17.68%
HDFC	45	8.89%	22.22%	8.89%	46.67%	40.00%	11.11%
ICICI	44	27.27%	13.64%	13.64%	38.64%	31.82%	13.64%
Axis	45	15.56%	24.44%	22.22%	42.22%	35.56%	11.11%
Canara	36	19.44%	11.11%	16.67%	38.89%	22.22%	13.89%

Figure 15



**Table 15 : Reason(s) for Detractors/ Passives customers of Banks for giving the score**

Service Provider	Nos.	Frequency					
		Safe transactions	ATM service	Charges	Service	Ease of banking (online)	Ease of banking (offline)
SBI	274	72	56	54	83	47	43
HDFC	49	11	8	8	13	14	8
ICICI	60	11	12	11	13	18	11
Axis	46	9	7	10	12	13	5
Canara	59	4	2	3	25	11	9
Service Provider	Nos.	Percentage					
		Safe transactions	ATM service	Charges	Service	Ease of banking (online)	Ease of banking (offline)
SBI	274	26.28%	20.44%	19.71%	30.29%	17.15%	15.69%
HDFC	49	22.45%	16.33%	16.33%	26.53%	28.57%	16.33%
ICICI	60	18.33%	20.00%	18.33%	21.67%	30.00%	18.33%
Axis	46	19.57%	15.22%	21.74%	26.09%	28.26%	10.87%
Canara	59	6.78%	3.39%	5.08%	42.37%	18.64%	15.25%

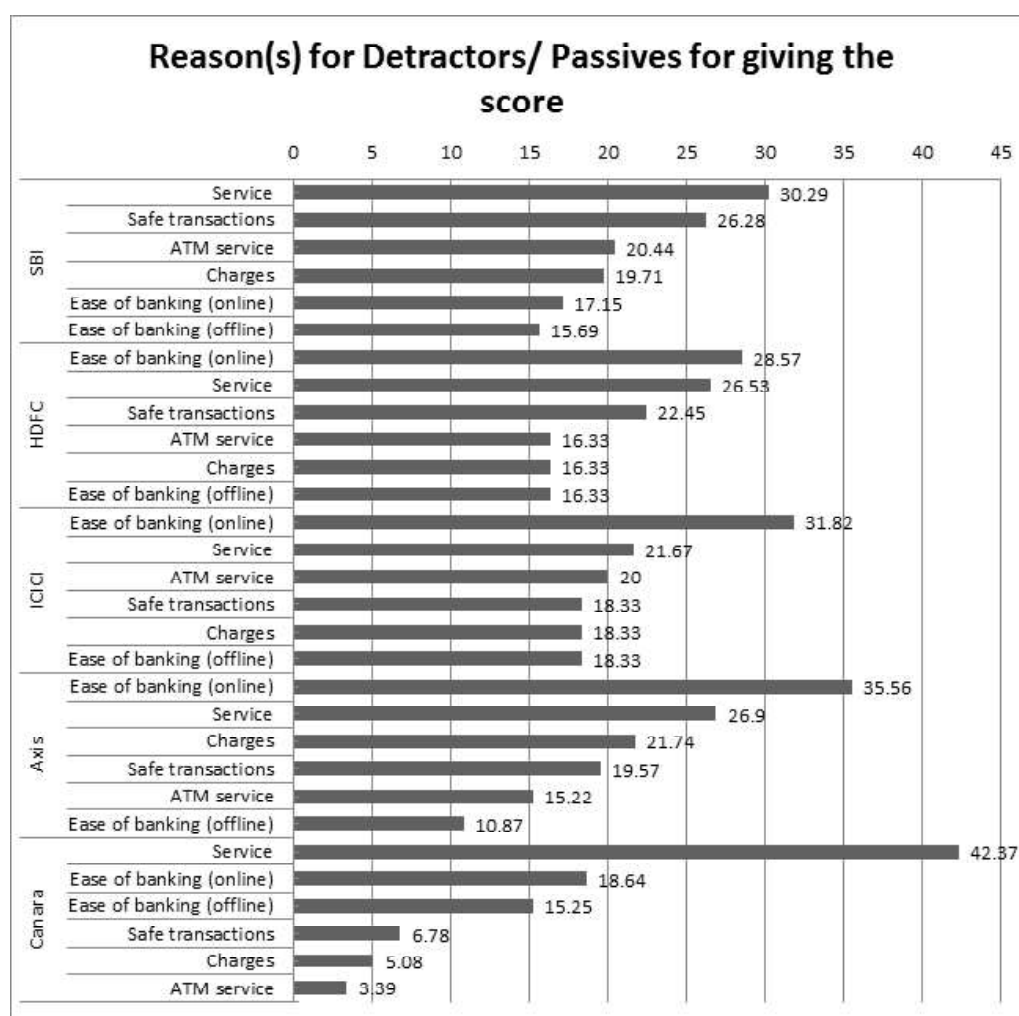
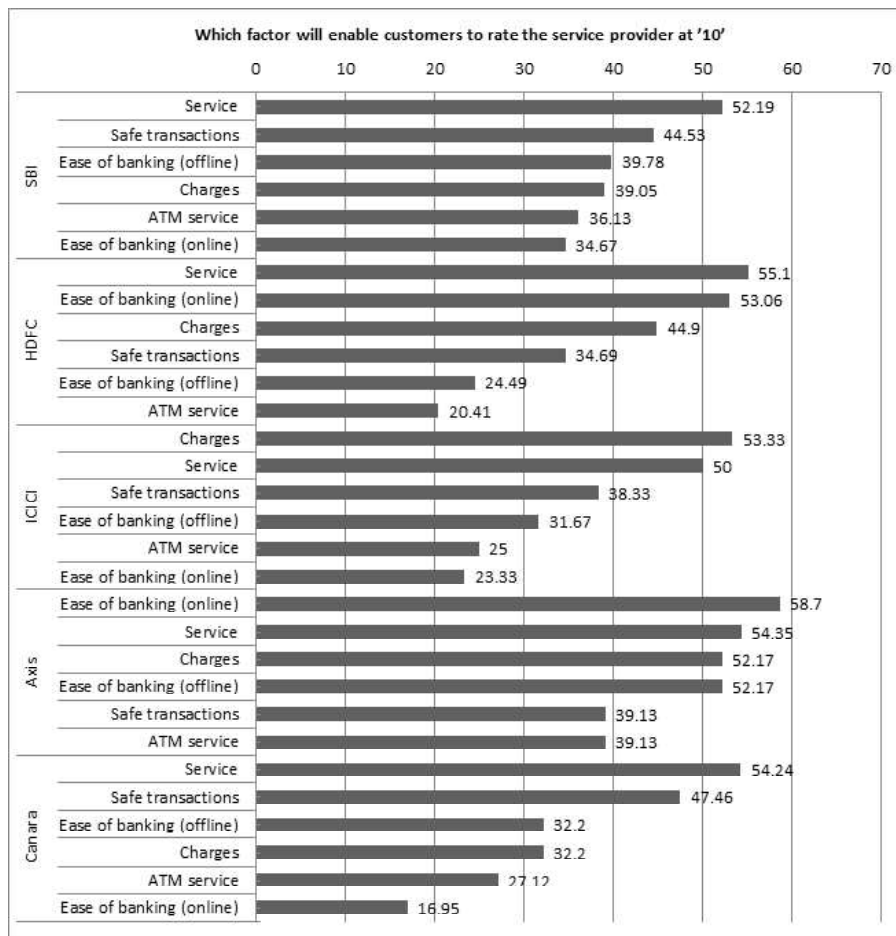
**Figure 16**


Table 16 : Which factor will enable customers of Banks to rate the service provider at '10'

Service Provider	Nos.	Frequency					
		Safe transactions	ATM service	Charges	Service	Ease of banking (online)	Ease of banking (offline)
SBI	274	122	99	107	143	95	109
HDFC	49	17	10	22	27	26	12
ICICI	60	23	15	32	30	14	19
Axis	46	18	18	24	25	27	24
Canara	59	28	16	19	32	10	19
Service Provider	Nos.	Percentage					
		Safe transactions	ATM service	Charges	Service	Ease of banking (online)	Ease of banking (offline)
SBI	274	44.53%	36.13%	39.05%	52.19%	34.67%	39.78%
HDFC	49	34.69%	20.41%	44.90%	55.10%	53.06%	24.49%
ICICI	60	38.33%	25.00%	53.33%	50.00%	23.33%	31.67%
Axis	46	39.13%	39.13%	52.17%	54.35%	58.70%	52.17%
Canara	59	47.46%	27.12%	32.20%	54.24%	16.95%	32.20%

Figure 17



### 4.3.1 Discussion - Banking

The data on banks very clearly shows that when it comes to customer satisfaction and loyalty as measured through Net Promoter Score, private sector banks lead the pack. The national data on NPS showed that Axis Banks is right on top with an NPS score of 43 followed by ICICI Bank with 39 and HDFC Bank with 35. Among the two major public sector banks, Canara Bank has an NPS score of 33 followed by SBI at 28.

The data of Bangalore was also almost in-line with the national data except that HDFC Bank is in second place followed by ICICI Bank. However, the data of Bangalore shows that NPS score of all three service providers in Bangalore are much ahead of their national scores.

While analysing the reasons for why the promoters gave the rating, uniformly for all the banks, 'service' came in right at top, with 'ease of banking (online)' coming in at close second except in case of SBI. The promoters rated 'safe transactions' as the primary reason for them to rate SBI followed by 'service'.

Interestingly, while analysing the data of detractors/passives, 'ease of banking (online)' remained the biggest concern for private bank customers whereas it was 'service' for public sector bank customers. This goes on to prove that 'online banking' can result in high satisfaction and loyalty or high level of unhappiness depending on the experience the customer goes through.

Also as a response to the question, "what factor will enable customers to rate the service providers at 10?", again largest percentage of customers of HDFC, Canara Bank and SBI have indicated 'service' as the key factor, while ICICI Bank customers had indicated 'charges'.

The data clearly shows that if the services provider has to build a strong and loyal customer base, the factors that they should focus on are 'service', 'safe transactions', 'ease of banking(online)' and 'charges' - in that order.

## 5. CONCLUSION

Though NPS has been used quite extensively by industry of all hues for its simplicity and ease of implementation, there are a few researchers who question the efficacy of NPS. Fisher and Kordupleski (2018) say that NPS does not provide any statistically reliable data on what customers value. Also they say that NPS focusses on retaining customers and not winning them or retaining them and also NPS provides no competitive data. Also they aver that there is nothing called as 'passive' customers. Also their main concern is that the tool can be subjected to major statistical analysis.

While NPS tool has its own detractors, it should be noted that rarely will a company succeed or fail based on the specific metric it chooses for measuring customer satisfaction and loyalty. More than the metric, it is how the company uses the metric and improvises that matters. Ultimately, the company has to increase 'promoters' and decrease 'passives' and 'detractors'. NPS survey is quite simple and may not provide deep data. If one wants more insights, other survey methods or additional questions can be added to the survey.

All said and done, the tool has got the fancy of the leading organisations worldwide and is one of the most used tool for measuring customer loyalty. Highly customer-centric companies like Amazon, Apple, Southwest Airlines, Costco, Flipkart, Standard Chartered Bank etc. have been using NPS for the past many years which itself is a proof for the tool's efficacy.

While study conducted by the organisations does not have any competitive scores, this research aims to study the net promoter scores of competing organisations also. The highest national NPS score, whom one can term as NPS leaders in the three sectors that the survey covered, viz mobile services, online retailing and banking are 32 for Jio, 43 for Amazon and 43 for Axis bank respectively. The highest Bangalore NPS score stood at 48 for Jio, 46 for Amazon and 59 for Axis Bank. With the exception of BSNL, all the other companies that the survey had covered had a positive NPS.

Some managers argue that NPS of above '0' is good since this shows that the promoters are more than detractors. Any score between 0 and 50 is supposed to be good, between 50 and 70 is purported to be excellent and above 70 is world class (Severson 2016)

In comparison with US companies, Indian companies are not doing that bad. The top NPS score in US (Temkin Group - Q3 2018 Consumer Benchmark Survey) was 65. The average industrywide NPS score in consumer sector in US varies between 0 and 39. The author of NPS tool Reichheld (2003) says that to ensure world-class customer loyalty and attract fierce customer referrals, the companies should aim for NPS score of above 75. If this is the benchmark, Indian companies have some distance to cover before they can be termed 'excellent' service providers.

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## Annexure

### Survey on Key Services Sectors

Dear respondent,

This survey will take just 5 minutes to complete. This survey is being conducted purely for academic purpose. The results will not be used for any commercial purpose. We assure that the data shared will be absolutely confidential. We thank you for your time.

**Dr R Sugant**

Professor - Marketing

SDM Institute for Management Development, Mysore

### Questionnaire

Name: \_\_\_\_\_ Age: \_\_\_\_\_ Gender: M/ F

Qualification: ☐ Graduate ☐ Post Graduate ☐ Others (please specify) \_\_\_\_\_

Occupation: ☐ Pvt. Service ☐ Govt. Service ☐ Own Business ☐ Student  
Homemaker Unemployed Others

City of Residence: \_\_\_\_\_ Email: \_\_\_\_\_

Mob No. (Optional): \_\_\_\_\_

#### A. Mobile Service

1. Which mobile service do you use most often (choose only one)?

☐ Airtel ☐ Vodafone ☐ Idea ☐ Jio ☐ BSNL  
☐ Others (please specify) \_\_\_\_\_

2. Consider the above chosen service provider, "How likely is it you would recommend this service provider to your friend or relative (tick the appropriate box)?"

Extremely Likely 

10	9	8	7	6	5	4	3	2	1	0
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 Not at all Likely

3. Why did you give the above score?

4. What did the service provider do/ can do to earn "10"?

### B. Online Retail

5. Which on-line website/ app do you use most often for purchases (choose only one)?

- ☐ Amazon
 ☐ Flipkart
 ☐ Snapdeal
 ☐ Shopclues
 ☐ Paytm Mall  
☐ Big Basket
 ☐ Myntra
 ☐ Others (please specify)\_\_\_\_\_

6. Consider the above chosen website/ app, "How likely is it you would recommend this website/ app to your friend or relative (tick the appropriate box)?

<b>Extremely</b>												<b>Not at all</b>
<b>Likely</b>	<b>10</b>	<b>9</b>	<b>8</b>	<b>7</b>	<b>6</b>	<b>5</b>	<b>4</b>	<b>3</b>	<b>2</b>	<b>1</b>	<b>0</b>	<b>Likely</b>

7. Why did you give the above score?

8. What did the service provider do/ can do to earn "10" ?

### C. Bank

9. Which bank do you regularly use for transactions (choose only one)?

- ☐ SBI
 ☐ ICICI
 ☐ HDFC
 ☐ Axis Bank
 ☐ Canara Bank  
☐ Punjab National Bank
 ☐ Bank of Baroda
 ☐ Others (please specify)\_\_\_\_\_

10. Consider the above chosen bank, "How likely is it you would recommend this bank to your friend or relative (tick the appropriate box)?

<b>Extremely</b>												<b>Not at all</b>
<b>Likely</b>	<b>10</b>	<b>9</b>	<b>8</b>	<b>7</b>	<b>6</b>	<b>5</b>	<b>4</b>	<b>3</b>	<b>2</b>	<b>1</b>	<b>0</b>	<b>Likely</b>

11. Why did you give the above score?

12. What did the bank do/ can do to earn "10"?