

SUCCESS STORY

Covario Engages With Satrix Solutions to Improve Net Promoter Score® Program

Satrix Solutions helped to increase Covario's NPS significantly over a two-year period.



As a leading search marketing (SEM and SEO) agency and software technology firm, San Diego-based Covario has long placed significant emphasis on voice-of-the-customer (VoC) driven initiatives. This commitment to client satisfaction has resulted in strong retention and satisfaction rates from its Fortune 1,000 clients worldwide.

Along the journey to establish a true customer-centric culture, Covario has utilized a variety of in-house feedback programs to assess the overall strength of client relationships, including Client Advisory Boards and client satisfaction surveys. With the full support of its Board of Directors and Executive Team, Covario's efforts to establish more concrete performance

metrics as a means to track company performance and client loyalty led the firm to adopt the Net Promoter Score® (NPS) discipline (see box on page 3).

Given the manageable size of its client base, Covario began using a version of an NPS survey that the firm developed in-house and issued directly to clients. Having always maintained good relationships (and positive scores) with its clients, Covario became concerned when only a small percentage actually responded. Also, some of those who did complete the survey were starting to report lower than average satisfaction scores. Alarm bells rang as this insight suggested that Covario might have fewer satisfied clients than previously thought.

SITUATION

- Inconsistent response rates resulting in statistically invalid data
- Flawed questionnaire design that led to high abandonment rates and feedback with limited value
- Inadequate “closed-loop” follow-up with clients
- Highly volatile Net Promoter Scores®

Covario turned to Satrix Solutions, which quickly identified one major contributor to the low response rates—ineffective communication. Prior to launching the survey, Covario did not notify clients about the survey’s purpose or explain how their feedback would be used to make product and service improvements. Plus, the completed surveys went directly to Covario account managers, leaving some clients apprehensive about sharing feedback.

“When we originally implemented NPS we thought it would be a straightforward process,” said Paul Borselli, senior director of marketing at Covario and the firm’s certified NPS champion. “Back when we conducted it ourselves, we found if clients opened the survey, most weren’t completing it. This meant the client feedback data was unreliable and unreportable.”

Covario also used a free survey software tool that lacked features and functionality needed for a successful and reliable NPS program. This resulted in the survey getting caught up in spam filters and not into the desired recipient’s inbox. The free software tool also required the client respondent to manually enter personal demographics, as this data was not integrated into the program. This frustrated clients and contributed to the low response rate.

Furthermore, Covario had implemented an employee bonus program based on overall client satisfaction scores. This made it important to increase response rates to get a true, statistically valid NPS score.

SOLUTION

- Refine the questionnaire and improve client communication
- Deliver actionable feedback and recommendations to key stakeholders
- Advise on NPS and client loyalty “best-practices”
- Serve as Covario’s third-party auditor to ensure a consistent methodology and eliminate “gaming”

To make the survey as valuable as possible, Satrix Solutions refined the questionnaire to focus solely on best-practice NPS questions, and removed those that were either unnecessary or not generating actionable data. Satrix Solutions crafted compelling survey notification emails detailing how client feedback would be used to inform strategic initiatives and key decisions that would ultimately lead to an enhanced client experience. Satrix Solutions then developed training materials for Covario’s staff in an effort to keep them well informed of this important initiative and how they could support the program.

In the past, Covario faced challenges in securing consistent client feedback, which led company leaders to question the validity of the responses. As an unbiased third party, Satrix Solutions now collects the client responses and prepares a comprehensive analysis for Covario’s stakeholders, outlining key client trends and recommendations for improvement. Satrix Solutions’ research methodology and detailed reports have helped Covario overcome internal issues and put employees’ concerns about the process at ease, since a substantial percentage of their bonus compensation is tied to NPS.

Now, Satrix Solutions presents the findings in person to the entire Covario staff, discussing not just the client feedback data, but also how the organization as a whole can contribute to client satisfaction to positively influence NPS scores. “Satrix Solutions trained us on NPS, helping us set up a framework for using this discipline,” Borselli said. “They executed the survey methodology and delivered the client feedback results with clear, actionable recommendations, which we have implemented. It has helped Covario to become

one of the nation's most client-focused search marketing agencies and software solutions providers.”

Without an internal champion to maintain focus, formal client feedback and satisfaction programs (like Net Promoter Score) often struggle under the weight of constantly shifting priorities. Covario recognized the need for someone internally who was committed to the success of the program. The company appointed Borselli as the firm's Net Promoter champion and tasked him to work with department heads, holding them accountable for encouraging response to the survey and following up afterward.

RESULTS

- Increased response rates more than 100%
- Dramatically improved client loyalty—as reflected by an increase in the Net Promoter Score from +11% to +47% over a two-year period
- NPS is now deeply embedded in the corporate culture, fostering a client service-centric commitment across the organization

Since Satrix Solutions began working with Covario, survey response rates have jumped from less than 50 percent of its clients to 80 percent, as of the most recent survey. Additionally, since eliminating unnecessary questions, more clients are offering unfiltered feedback in response to the open-ended questions, giving Covario the candid input needed to understand exactly why “promoters” are enthused and “detractors” are frustrated.

Through unbiased, third party implementation of the Net Promoter Score methodology, Covario has been able to uncover and quickly respond to various client issues, resulting in greater client satisfaction.

“NPS is a simple metric for everyone to understand when it comes to the level of appreciation our clients have for our service and support,” Borselli said. “With one score we are able to determine both our most satisfied and our most at-risk clients, enabling us to address any concerns immediately.”

Covario's diligent follow-up and improvement efforts have led to a significant jump in client loyalty and retention.

“Our employees are 100 percent focused on delivering best-in-class service, which has significantly improved client loyalty and operational performance,” Borselli added. “We have substantially grown our business with large brands and increased our referral opportunities.”

Net Promoter has also proven to be an important sales and marketing tool for signing new clients.

“We use our NPS to highlight our commitment to building and maintaining client relationships,” Borselli said. “Our prospects can easily see how happy our clients are—making us more confident as we promote and sell our services. Satrix Solutions' work is extremely thorough. They really dig to bring key issues surrounding our clients to our attention, along with actionable recommendations for constant improvement.” ◆

WHAT IS NET PROMOTER SCORE?

Both a customer loyalty metric and organizational discipline, Net Promoter Score® is a widely adopted system that helps organizations monitor the level of enthusiasm customers have about the service they deliver and opportunities to improve the customer experience.

NPS, developed by Satmetrix, Bain & Company, and Fred Reichheld, is based on a single question: “How likely are you to recommend [Company] to a friend or colleague?” The NPS response scale is from 0 to 10 with loyalty enthusiasts (or “promoters”) scoring 9 or 10, satisfied but unenthusiastic clients (“passives”) scoring 7 or 8, and unhappy clients (“detractors”) scoring between 0 and 6. Studies have determined that the “likely to recommend” question has the strongest statistical correlation with repeat purchases and referrals. More importantly, companies with a better ratio of promoters to detractors tend to grow more rapidly than competitors.

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ABOUT

SATRIX SOLUTIONS was founded with a singular goal—help businesses maximize potential and opportunity. Organizations rely on the company’s formal customer feedback programs to gather valuable insights from existing, former and potential customers. The analysis and recommendations delivered by Satrix Solutions serves as a blueprint for driving operational improvements to enhance the customer experience.

By leveraging a proven approach to capturing and responding to the needs of the market, their clients are able to improve customer retention, maximize share-of-wallet and increase sales close rates. Satrix Solutions is a certified Net Promoter® Loyalty Partner and is the exclusive strategic advisor on customer feedback programs for SoDA—The Global Network for Digital Marketing Innovators. The company serves small to mid-size businesses in a variety of industries, each focused on realizing the financial benefits of creating a differentiated service experience.

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