

## Is *The Ultimate Question* the Final Question?

“You will not believe how high my *Net Promoter Score* is,” said a dear friend and banking executive to me over lunch. “But my organic growth rate is nil and I can’t get a handle on my customers’ commitment.”

His customers were formally saying one thing and, practically, doing another.

“Maybe asking *The Ultimate Question* should not be your final question,” I jovially replied and reached for the bill, figuring that lunch was now my treat for this month.

And it occurred to me that gauging commitment is very different from gaining and keeping commitment.

Lately, I enjoy completing customer surveys via paper, email, or telephone. Normally, I run from them. They’re long, cumbersome, and I wonder if my answers are lost in some thrice-cross-tabulated marketing report.

So why, now, do I fill in circles, click through extra screens, and stay on the line to answer a few quality control questions? Because, with near perfect accuracy, I know the final question will be a form of: “Would you recommend us to a friend?” – *The Ultimate Question*. My answer helps a company determine its *Net Promoter Score (NPS)*.

I fancy *The Ultimate Question* and the *Net Promoter Score (NPS)*. It is a brilliant gauge of potential customer loyalty and advocacy. One can read about it in Fred Reichheld’s

book, *The Ultimate Question*, and get an even better handle on its origins and research in *The Loyalty Effect* and *Loyalty Rules*, both by Reichheld.

I will not contest the inherent value from determining the NPS. If Jeff Immelt, CEO of General Electric says, “This is the best customer relationship metric I’ve seen. I can’t understand why any of you wouldn’t want to try it,” I’ll take him at his word. If Ken Chenault, Chairman and CEO of American Express says, “All companies should ask their customers ... ‘the ultimate question,’ – ditto.

At its nucleus, the *NPS* measures: 1) A customer’s inner economist and willingness to buy from you again; and, 2) His motivation to stick his reputation on the line by referring you to someone close to him. It makes perfect sense and is backed up with ample statistics and correlations.

But, it strikes me again – gauging commitment is very different from gaining and keeping commitment. Just because someone *says* they will buy from you again and refer you to someone they know doesn’t mean they *will*.

For example:

A T & T asked me *The Ultimate Question*. I answered, “Yes.” They offered me \$100 for every friend I referred who, within a certain time period, became a new customer. But, thoughts of my neighbors hiding behind their front doors as I shilled kept me from furthering the gospel of wireless telephone service from A T & T.



Delta Air Lines asked me *The Ultimate Question*. They offered 2,500 SkyMiles® if I met referral-turned-traveler success. But convincing a fellow elite traveler is not that trouble-free. There's more to frequent business travel than hoping for an aisle seat and a suitable cup of coffee. We don't switch travel partners on a whim or at the whiff of a better deal.

I even asked the delightful woman who cuts my hair if compensating for referred business is good for growth. "People are super sensitive about their hair and it takes a lot to convince someone to switch stylists. Ten dollars off of the next highlighting session doesn't lead to new clients at the recommendation of satisfied clients."

My *NPS* scores are high, but my real world action is low. I will enthusiastically recommend A T & T, Delta Air Lines, and Tracy to those interested – if they ask my opinion and express interest in my recommendations. I'll do it because I believe in these products and services. I'll do it because these businesses are committed to me. I'll do it when I hear questions from those I know are seeking a new solution.

But, *The Ultimate Question* is not the final question. We need to ask more questions. Now, what does one do?

First, measure your *NPS*. Be as complex or simple in your measurement tools as you need to be. Find out who will buy again and who will spread the good word about your business. You'll discern more about their promise for loyalty and commitment.

Then, depending on your job, ask more questions. After all, we're all responsible for growing commitment from our customers. More important, we're in charge of showing commitment to our customers.

For the front line leader: Think a step beyond the transaction at hand and propose a solution that shows you are a promoter for your customer. Rather than only completing the transaction, study the customer information you have (on the screen or in your mind) and present a way that your institution can make life just a bit better. Perhaps the savings account can become a certificate of deposit. Or the new car loan can include breakdown insurance. Or the check you just made payable to Fidelity Investments can remain under your institution's management.

For the business development officer: Look closely at your customer's business elsewhere and determine if you can offer a better deal at your institution. Can you offer a better rate or price? Does offering a bundled package make sense? Do you offer relationship-based pricing? Will you sacrifice some profit in the near-term for a consistent stream of long-term revenue? Finding a way to add an extra product or service goes a long way in increasing commitment. These additional products or services weren't sold out of thin air – they almost certainly existed at another institution.

For the marketing officer: Distinguish why your current cadre of most loyal customers chooses you. This involves segmenting those with high *NPS* scores or high use of products. The key is not asking your entire customer base why they choose you. If you do this,



you'll get 80 percent of your answers from those who give you 20 percent of your revenue. You want answers from the 20 percent who give you 80 percent of revenue.

For the executive: Don't waste time holding meetings, tabling for next time, or forming ad hoc groups. Get your entire institution involved – now. Contrary to popular belief (and consultant billing statements), it doesn't take 24-36 months to rebuild, rebrand, or re-you-fill-in-the-blank. Your customers simply will not, and should not, wait.

What's needed is an enterprise-wide understanding that: 1) Most customers won't bring in new business until you ask; and, 2) Most customers won't send your institution referrals until you ask – and the odds are still low. However, when your customers believe that your true interest is in earning their commitment, they will watch for ways to bring you more of their business and they will mention your institution as they hear of needs from their friends. These customers believe in your institution.

We all want customers, but regular customers can be fickle and lured away. We all want promoters, but promoters may not promote you as often as you want.

What we need are believers – believers who do not consider another option when it's time to buy again and who recommend you to another when the occasion arises.



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