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eurofins

Net Promoter Score (NPS) as a path to economically sustainable growth

This case centers on Eurofins Product Testing in Denmark, which has 106 employees, a gross profit of €6 million, and an annual result of €1.34 million. Eurofins' CEO, Sales Manager, and Customer Service Manager are the key drivers behind the company's efforts to enhance customer loyalty.

In our daily pursuit of loyalty and growth, Relationwise A/S has been managing our data collection and serving as a valued loyalty partner for several years, providing support and guidance. It is crucial for us to avoid getting caught up in irrelevant KPI measurements that do not align with our values, objectives, and goals.

Who is Eurofins?

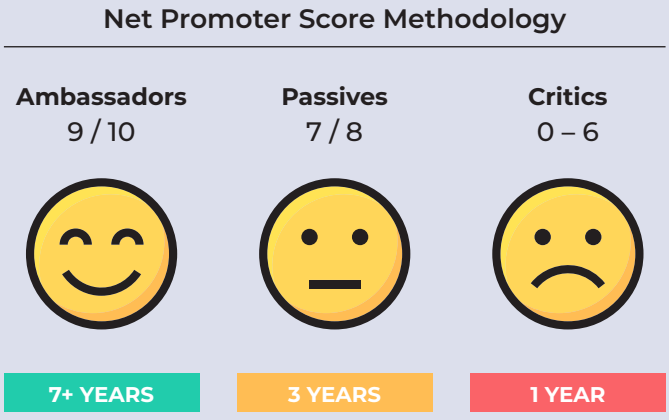
Eurofins is a global company that specializes in laboratory analyses in areas such as food, environment, pharmaceuticals, and life sciences. It offers advanced testing and analysis methods to ensure the quality and safety of products and environments.

NPS is the most reliable indicator of how our organization is performing in customer service, product offerings, and quality. It enables our customers to evaluate us and share how we can improve our service—not just once a year, but every time they do business with us.

> *"The best and cheapest way to create growth is by maintaining the relationships you have with your customers. It ensures that you gain loyal customers who stay with you and whom you can build upon to attract more customers."*

What is the NPS method, and why is it so popular with business leaders?

The renowned Net Promoter Score methodology, developed by American Fred Reichheld, offers insights into your customers' future buying behavior—a KPI with predictive power. Depending on the industry and company, B2B businesses may find that their ambassador customers remain loyal for over 7 years, passively satisfied for 3 years, and critics for only 1 year. In a B2C context, critics are likely to engage with your business just once.



We ask our customers the magic NPS question exactly seven days after invoicing them, so they can evaluate us on the entire process from start to finish, including billing and payment. We distribute our customer feedback to the sales reps responsible for the customers and to those involved in testing and consulting in the laboratories.

This way, everyone can monitor feedback from customers they've worked with over a period of time, which gives us a tremendous boost. We also use the feedback to strengthen our operational performance proactively. All scores of 6 or lower are treated as complaints, with fixed procedures to resolve dissatisfied-customer issues and ensure they don't happen again.



Three Eurofins customer service initiatives

Eurofins divided its customer service staff into smaller teams and tasked them with developing an action plan based on initiatives introduced over time. The teams implemented these plans to create loyal customers through positive customer experiences. Here are three of the key initiatives Eurofins has undertaken:

1. **Turning passively satisfied customers into ambassadors**
   Eurofins contacts customers who have given them a score of 7 or 8 (passively satisfied customers) to gather feedback on how the company can improve. This is also an opportunity for Eurofins to ask what it would take to achieve a score of 9 or 10. Even though customers have already provided feedback, they are genuinely pleased to receive these calls.

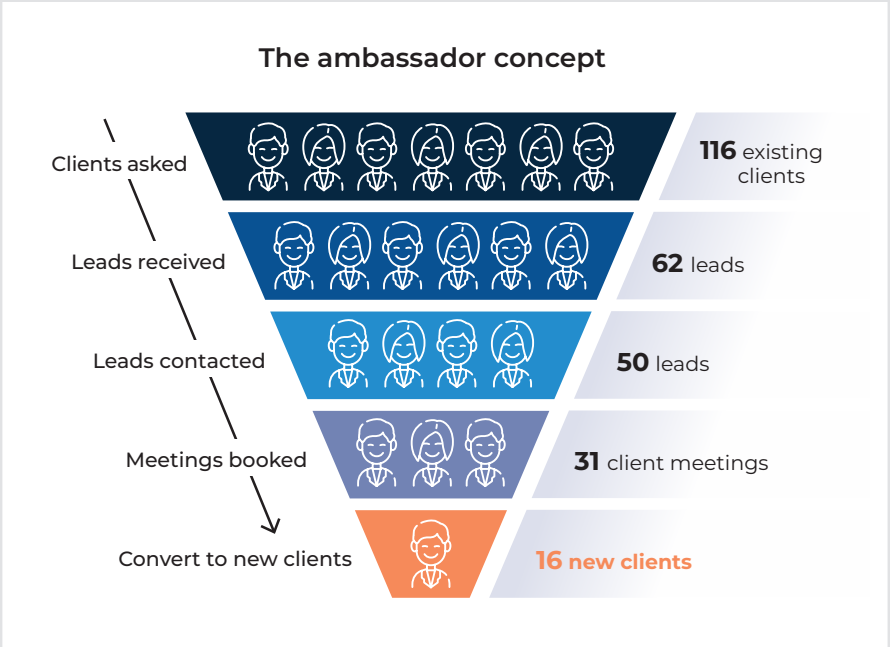
2. **Proactive calls to customers before sending surveys**
   Eurofins calls customers one to two days after delivering a service to offer support and check if they have any questions or concerns. The purpose of these calls is to provide customers with proactive support and encourage them to respond to the upcoming NPS survey, which also helps increase the response rate.

3. **Highlighting NPS and its importance**
   Eurofins mentions its NPS score during presentations at conferences, seminars, and webinars. The company also uses direct feedback from customers in its one-on-one correspondence. This strengthens the customer relationship while serving as a powerful marketing strategy and a unique selling proposition.

Common to all Eurofins' initiatives is that they strengthen customer relationships. The company's proactive approach has resulted in better interactions with a higher response rate and strong customer loyalty.

NPS to increase sales

Another interesting aspect is whether or not our customers are willing to recommend our company. We have leveraged our customer ambassadors to obtain references for new potential clients. Our goal is to convert 16 new customers when we ask 116 of our ambassadors for references.



We can only do this because we have many customer ambassadors, and it provides strong "social proof" when we can say that **69% of our customers would recommend us**. Only 4% give us a score lower than 7. This is much better than the usual talk we hear from many companies about how big they are, how many employees they have, and so on.

How does Eurofins generate new sales contacts through its customer ambassadors?

Eurofins has found a formula for creating new sales opportunities based on behavioral design:

1. **Understand how we create value**
   Use positively formulated questions to open a positive dialogue.
2. **Focus on what works**
   Identify what can be improved even further.
3. **Ask for a new sales contact**
   Inquire whether the positive experience customers have had would also be valuable for their network.

> *"You will be surprised by what happens when you open a conversation with a positively formulated question. The feedback from our salespeople is quite extraordinary, and we are able to gain new customer contacts."*



Our strategic use of Net Promoter Score (NPS) has proven to be an effective method for strengthening relationships with existing customers and creating new business opportunities. By focusing on transforming passively satisfied customers into loyal ambassadors, as well as leveraging the networks of existing customers, we have managed to create growth in a sustainable and cost-effective manner.

Other initiatives

In addition, we have introduced innovative initiatives in our customer service department further supporting our NPS strategy. Visualizing NPS on screens in the customer service department via Relationwise TV allows our employees to act immediately on feedback from passively satisfied customers and detractors. **The immediate visibility of NPS data enables us to respond quickly to customer needs and improve the customer experience.**

Another important initiative is celebrating the "Customer Experience of the Month." We highlight an outstanding customer experience by showcasing it in the office, including details about the service and the employees who contributed to the positive experience. The initiative recognizes and motivates employees to deliver excellent service while emphasizing the importance of positive customer experiences.



Using NPS for a few years has allowed us to gather a substantial amount of data. Seeing the feedback history from customers who have rated us multiple times is interesting. In many cases, we have improved our performance for them and are aware that this is likely why they are still with us today. There is a clear, positive correlation between loyalty and retention. **Happy customers are loyal, and loyal customers stay.**

Those who stay are good customers because they are more profitable and require fewer resources than new customers.

Our results show that NPS is not just a measurement tool but a central component of a strategy promoting long-term growth.

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