NPS PRISM®

U.S. Benchmarks Report

NPS Leaders Revealed

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Introduction

Measure customer sentiment, track changes over time, and identify areas of opportunity with our Q3 2022 – Q2 2023 industry findings.

NPS Prism's first ever U.S. Benchmarks Report published earlier this year has quickly become our most read publication. It's been downloaded by over 1,000 senior leaders in customer experience (CX), marketing, and business units spanning hundreds of established companies and disruptors. Due to continuous demand, we are committed to periodically refreshing this report with fresh benchmarks on a semi-annual basis.

The Winter 2023 NPS Prism® Benchmarks Report provides comprehensive industry-level Net Promoter Score^{SM} (NPS) metrics and insights, and reveals how leading businesses are prioritizing and enhancing the customer experience. The expanded Winter 2023 report is based on the analysis of over 1,000 companies and over 10 industries, including Airlines, Automotive, Consumer Banking, Convenience Retail, Grocery, Home Improvement, Insurance, Pharmacy, Telecom, Utilities, and Video Streaming. It includes benchmarking data for relationship NPS (rNPS) or

As a customer experience, marketing, or business unit leader, you can use the NPS Prism Benchmarks Report to measure customer sentiment and loyalty in your industry, build better customer relationships, and identify growth opportunities. You can use the data in this report to benchmark your current overall NPS score and assess your progress over time — leading to better decisions for improving customer experience and driving business growth.

Airlines   Automotive   Consumer Banking   Convenience Retail   Grocery   Home Improvement   Insurance   Pharmacy   Telecom   Utilities   Video Streaming

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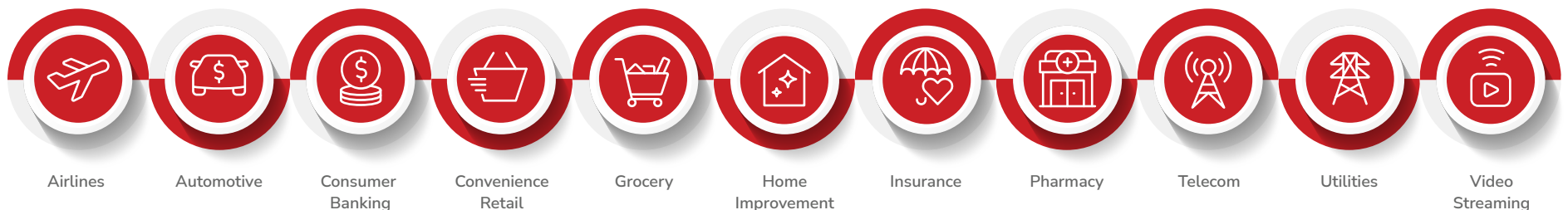
Ready to take the next steps?

1. Read this guide to view NPS benchmarks
2. If you work in one of the industries covered in this report, reach out to see more of your industry and company's data

SEE MY SCORES

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The Predictive Nature of NPS

NPS serves as a predictive metric, where higher scores typically indicate stronger customer loyalty and satisfaction, which in turn can lead to enhanced business performance through increased customer retention, positive word-of-mouth, and revenue growth.

The ultimate question: *How likely are you to recommend [Company] to a friend or colleague?*

Not At All Likely   0   1   2   3   4   5   6   Detractors   7   8   Passives   9   10   Promoters   Extremely Likely

The methodology behind these scores comes straight from Bain & Company, the creators of NPS. Designed to measure customer advocacy and behavior, NPS Prism uses a double-blind survey method from thousands of customers to ensure unbiased feedback. A loyalty metric, NPS gauges customers' willingness to recommend a company, product, or service on a scale of 0 to 10.

Here's how it works:
- Respondents who answer 9-10 are promoters
- Respondents who answer 7-8 are passives
- Respondents who answer 0-6 are detractors

How is it calculated?
The Net Promoter Score is calculated by subtracting the percentage of detractors from the percentage of promoters.
After calculating your score, you can benchmark against your competitors.

Net Promoter Score = 😃 % Promoters — 😠 % Detractors
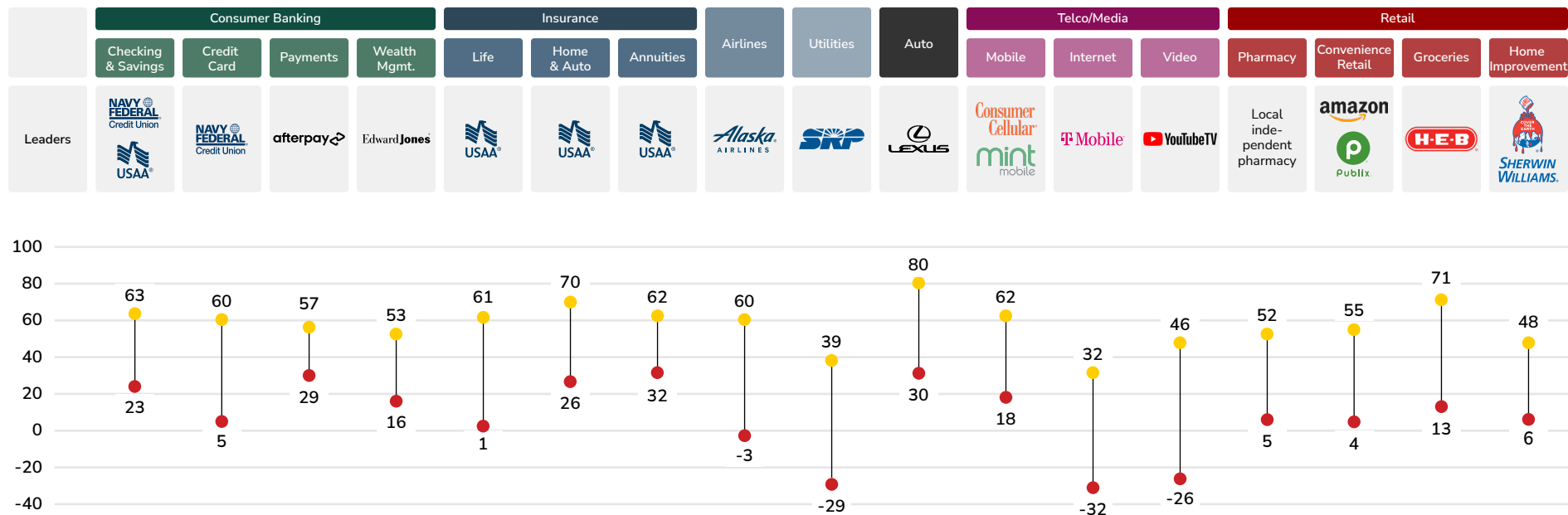
The Data Behind the Report

This report summarizes each industry's key customer sentiment metrics, including relationship NPS (rNPS), which captures the overall customer sentiment about a particular brand, and/or product NPS (pNPS), which measures customer satisfaction at the product level.

The lines represent the range of average NPS scores for Q3 2022 – Q2 2023, and multiple company logos in the same column indicate a tie. NPS Prism collects new survey data every 90 days, reflecting shifts in customer expectations within the industry.

NPS Prism Winter 2023 U.S. Cross Industry Leaderboard
United States NPS average by industry (rolling four quarters, Q3 2022-Q2 2023)

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	Consumer Banking				Insurance			Airlines	Utilities	Auto	Telco/Media			Retail			
	Checking & Savings	Credit Card	Payments	Wealth Mgmt.	Life	Home & Auto	Annuities				Mobile	Internet	Video	Pharmacy	Convenience Retail	Groceries	Home Improvement
Leaders	NAVY FEDERAL Credit Union / USAA	NAVY FEDERAL Credit Union	afterpay	Edward Jones	USAA	USAA	USAA	Alaska AIRLINES	SRP	LEXUS	Consumer Cellular / mint mobile	T-Mobile	YouTube TV	Local independent pharmacy	amazon / Publix	H-E-B	SHERWIN WILLIAMS

Chart — NPS scores (Leader / Laggard):

Industry	Leader	Laggard
Checking & Savings	63	23
Credit Card	60	5
Payments	57	29
Wealth Mgmt.	53	16
Life	61	1
Home & Auto	70	26
Annuities	62	32
Airlines	60	-3
Utilities	39	-29
Auto	80	30
Mobile	62	18
Internet	32	-32
Video	46	-26
Pharmacy	52	5
Convenience Retail	55	4
Groceries	71	13
Home Improvement	48	6

Notes: 1. Q3 2022-Q2 2023 straight average NPS used wherever available, otherwise all available quarters within this period used (e.g., for new instruments); Multiple logos shown when no statistically significant difference exists between leaders' NPS scores at 80% confidence level; relationship NPS metric shown for all industry-level scores, whereas product-specific scores show product NPS metric (i.e., for Consumer Banking, Telco, and Insurance)

2. For the Internet industry, newer service offerings were included in the survey, e.g. fixed wireless access (FWA) via T-Mobile.

Source: NPS Prism (Q3 2022-Q2 2023 or subset of periods available)

Key: ● Leader ● Laggard

Developing Your
CX Strategy

Questions for applying benchmark data to your business

This report uses NPS data to answer critical questions about industry benchmarking, including:

- *How does my industry's score range compare to others?*

- *What's a good NPS score for my industry?*

- *What's considered good in other industries?*

- *How does NPS measurement guide CX strategy?*

What does 'good' look like?

It's important to note that NPS scores can vary significantly across different industries, and what is considered a good or bad score depends on the benchmark for that specific industry. Therefore, businesses must compare their NPS scores with their industry peers and competitors to better understand their performance and identify areas for improvement.

Creating a compelling customer journey can generate more promoters for your business. Promoters are your champions. Bain & Company research has shown that they're worth more to your business's bottom line because they tend to buy more, stay longer, and refer new customers.

Understanding the journey and what your customers experience at relationship, product, episode, and channel levels allows you to identify opportunities for streamlining operations, reducing costs, and optimizing relative strengths and opportunities. Companies can improve the likelihood of recommendations and boost their NPS scores by focusing on the areas that matter most to customers.

Additionally, it's essential for businesses to constantly innovate and stay up to date with changing customer expectations to maintain their position in the market and keep their NPS scores high or competitive for their particular industry. By monitoring their CX status and comparing their scores to their peer set, businesses can identify trends and adapt their strategies to meet evolving customer needs.

New CX Observations by Industry

We've identified several NPS shifts compared to our previous 2022 U.S. Benchmarks Report. The latest rolling four quarter results reflect key observations across eleven industries. The depth of NPS Prism data allows us to gain a deeper understanding of the drivers behind each.

OBSERVATION #1

U.S. Pharmacies: Leading pharmacies prioritize customer experience through knowledgeable staff and personalized service

In the competitive pharmacy landscape, local independent pharmacies emerge as industry leaders. As healthcare is highly personal, the way customers are treated and assisted plays a vital role. Given this, it's no surprise that local independent pharmacies are well positioned to win in this space. Soft skills, such as a helpful and knowledgeable staff, hold great significance in influencing the customer experience and top performers score 20% higher on these factors than laggards.

Additionally, the availability and adequacy of staffing can greatly impact customer perceptions. While adequate staffing is essential for productivity and meeting customer demands, efficiency should not be the sole priority as customers increasingly seek a personalized experience that makes them feel valued rather than just a transaction.

OBSERVATION #2

U.S. Home Improvement Stores: Customer experience is contingent on convenience and staff expertise across all channels

The US home improvement product captures retailers that cater to DIY consumer needs, including specialist stores, big box retailers, and online platforms. Retailers like Sherwin Williams have established leadership due to the convenience of their brick-and-mortar locations and the expertise customers are offered.

Leading retailers excel with 25% more customers citing knowledgeable staff interactions, emphasizing the value customers find in expertise. Alternatively, online retailers can leverage their large product assortment and digital experience to compensate for lack of home improvement specialization. Succeeding in DIY home improvement requires a seamless customer experience across all channels, with knowledgeable staff complemented by intuitive and convenient digital platforms.

OBSERVATION #3

U.S. Convenience Stores: Proximity and product availability are the key to success for leading convenience retailers

The convenience industry is comprised of various types of retailers, including traditional convenience stores, retail pharmacies, grocers, and online players. Customers prioritize location proximity but they also consider the best value and affordability of products. In an industry where customer needs vary between essential and discretionary purchases, successful retailers ensure they have relevant products readily available. While in-store and online item unavailability is slightly less of a problem than in the past, leaders continue to have nearly 25% fewer customers experiencing an out of stock than laggards. By minimizing instances of product unavailability or offering suitable alternatives, retailers can greatly improve customer perception and satisfaction.

OBSERVATION #4

U.S. Telecom Providers: Offer/plan simplicity and digital-first experiences drive more satisfaction

Even with the traditional 'big 3' providers* enticing customers more than ever with new phone promotions, Mint Mobile has become a leader in its own way: driving simplicity in all experiences.

With network performance becoming less of a differentiator across wireless providers, Mint's easy-to-understand (transparent) and lower-cost plans, coupled with strong digital experiences, make it a refreshing alternative to the larger postpaid providers, shown by its growing NPS lead over the highest ranked mobile network operator (16-point lead in late 2021 to close to a 30-point lead as of Q3 2023).

*T-Mobile leads among major Mobile Network Operators (MNOs)

OBSERVATION #5

U.S. Utilities Companies: Communication and transparency are crucial to shaping CX amid rising costs

Inflation has continued to put pressure on US household budgets, and utilities customers feel they've seen their bills increase as a result. How that impacts perceptions of their utilities providers, however, depends on critical factors such as proactive communication and consistent transparency relating to any rate changes.

Proactively sharing information about not only rates but also service issues, policy changes, energy or plan alternatives, and other relevant CX topics is paramount to building trust. In 2023, utility customers who received proactive communication from their providers about bill payment options rated their experience over 60 points higher than when not receiving that information. It's especially important in an industry where customer choice is limited, so utilities companies who actively help customers make the transition from a pandemic period of payment flexibility to a tougher inflationary environment will stand to benefit.

OBSERVATION #6

U.S. Payment Providers: Ease is becoming the key differentiator to win loyalty

Payment solutions like peer-to-peer (P2P) and buy now, pay later (BNPL) have continued to see increased usage since 2021 and, with that, higher customer expectations. In early 2021, customers saw very little differentiation between payment solutions – the gap between the NPS leader and NPS laggard was 7 points growing to a gap of 28 points in 2023, signaling changing customer expectations across payment solutions.

A key difference across players, and key lever in NPS, has been the ease to perform the basic task the solution offers - sending/receiving money for P2P providers or making an online payment using BNPL. Perfectly easy is now the standard, where the NPS difference between 'very easy' and 'easy' sees higher penalties than ever before - meaning customers expect very easy, seamless experiences every time or they become highly frustrated. AfterPay, the leader in Payments, has been able to maintain their high ease scores, while most payment solutions have not been able to keep up with customer expectations and, in turn, saw declining NPS and ease scores.

OBSERVATION #7

US Airlines: Top airlines smooth over inevitable flight disruptions, leveraging their strong digital infrastructure

US airlines strive to minimize flight disruptions, yet weather and staffing challenges persist. Leading airlines, such as Alaska, excel in managing disruptions through robust digital infrastructure, providing timely notifications and efficient mobile apps. From Q3 2022 to Q2 2023, industry-wide, significant NPS penalties occurred when customers couldn't address flight cancellations (58pts) or delays (35pts) within 20 minutes.

Best practice is to deploy easy-to-use digital tools that simplify the (often complex) reaccommodation experience for customers. Its also critical to have rapid, clear communication and offer potential solutions to the customer. Finally, while "digital-first" makes sense for many reasons, airlines still need all their channels and employees prepared to handle the volume and treat their customers with care. Airlines are increasingly investing in "promoter creating" assets like loyalty programs and inflight Wifi, and these offerings had a big impact on airline customer loyalty in 2023. But few things compare to successfully helping a customer in their moment of need - this is an opportunity to create a promoter for life.

The power of CX benchmarking lies in its dual purpose

Monitoring your company's NPS performance, both relative to its own scores and those of its peers, is critical to continue over time. Because customer loyalty is ever-changing, CX leaders focused on gathering current and actionable insights are better able to continue redefining great CX.

NPS Prism unlocks the unbiased, regularly refreshed data needed to monitor the latest trends and inform go-forward CX strategy – arming you with the tools to generate best-in-class customer loyalty.

Want to see scores for your company?

Measuring and guessing are not enough to efficiently and effectively improve your CX.

NPS Prism can help you unlock the "why" behind episodes within your customer journey to focus on improving the areas that will drive the most satisfaction.

With a breadth and depth of benchmarking data, companies can track satisfaction across products, episodes, and channels to improve their scores over time. NPS Prism enables frequent check-ins on CX improvement initiatives to distill the noise and establish a clear baseline for competition.

If you're a company doing business in one of the following industries, click below to see your company's data. Learn the reasons behind your scores, and how you can improve overall customer experience with a live demo of NPS Prism.

- Airlines
- Automotive
- Consumer banking
- Convenience retail
- Grocery
- Home improvement

- Insurance
- Pharmacy
- Telecommunications
- Utilities
- Video streaming

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