

STUDY ON EFFICIENCY OF NET PROMOTER SCORE (NPS) IN MEASURING CUSTOMER SATISFACTION IN A HOME HEALTHCARE COMPANY



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INTRODUCTION

HOME CARE

- Medical care provided in a patient's home is called as 'Home care'.
- Home care includes provision of supportive care from a professional caregiver that allows the patient to recover safely at the comfort of their homes.
- In-home care services ranges from elderly patients needing assistance, post-hospitalization, physiotherapy to doctor home visits.



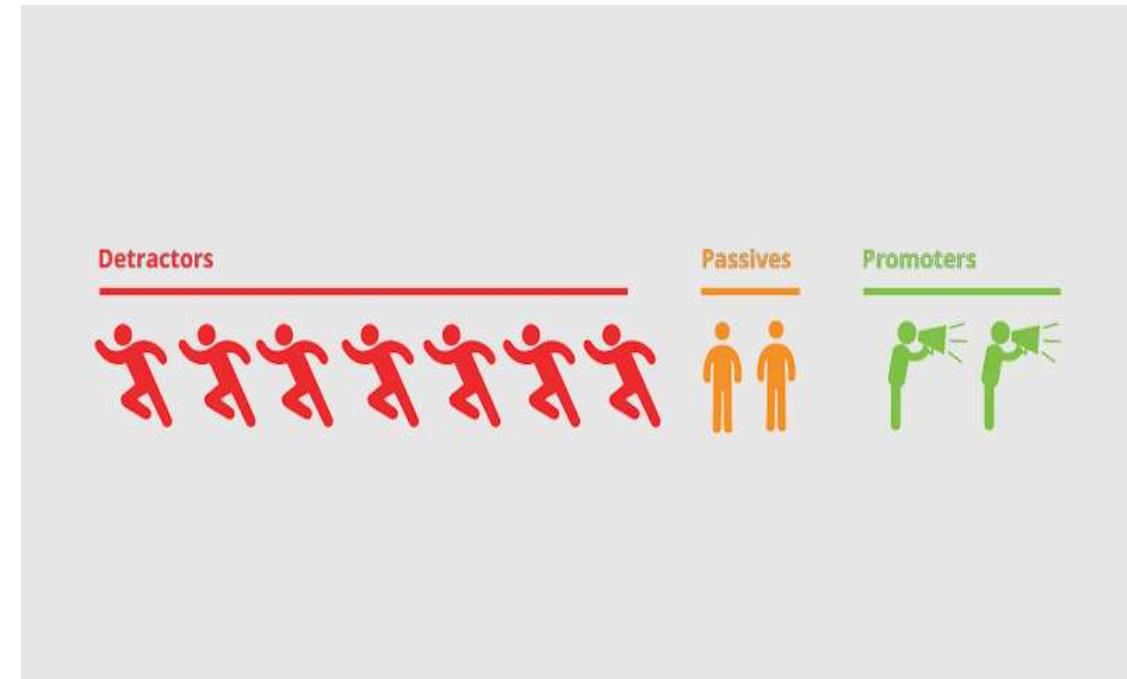
PATIENT SATISFCATION



- Patient satisfaction is a subjective measure of care quality that gives providers insights into whether a patient's expectations about a health encounter were met. This includes effectiveness of care, level of empathy and gaps in the service delivery.
- management of patient satisfaction has now become the topmost priority for health systems across the country because it has a direct impact on the company's performance.
- Patient satisfaction measures the clinical, social and emotional needs of the patients. The organizations that keep track of patient satisfaction are more likely to have improved clinical as well as financial results.
- Patient satisfaction is a direct indicator of patient loyalty
- patient satisfaction must be measured and analysed consistently to meet the needs and expectations of the patients and to improve the services further.

NET PROMOTER SCORE

- Net Promoter Score is a key metric of the Net Promoter System that has historically been used in consumer-based industries for customer experience programs.
- It helps businesses to divide the customers into three groups (promoters, passives and detractors) to know which customers can be asked for referrals and then segment them by their needs.
- It also helps everyone to focus on the twin goals of achieving more promoters and lesser detractors.
- A high NPS indicates that the patients are happy with their experiences in a particular healthcare facility and are likely to come back in the future. However, a low NPS indicates that the care provider is likely to lose patients and there is need of improvement in the services.
- According to Bain analysis, there is a strong link between organic growth and a company's Net Promoter Score. On an average, the companies with high NPS grow at a rate of more than twice of the rate of their competitors.



MEASUREMENT OF NPS

- The NPS data is captured by asking one single question: “How likely are you to recommend XYZ company to a friend or colleague?”
- The customers then answer on a scale of 1 to 10 (1 being the lowest and 10 being the highest). Then the NPS score is calculated to identify the promoters, passives and detractors of the company.

- 1) **Promoters (score 9 to 10):** Promoters help in fuelling growth of the business and are pleasant for employees to deal with.
- 2) **Passives (score 7 to 8):** The customers in this group are passively satisfied and not greatly loyal to it, which means they can anytime choose other competitors.
- 3) **Detractors (score 0 to 6):** Detractors are the unhappy customers who account for more than 80% of negative word of mouth.

- Net Promoter Score (NPS= %Promoters - %Detractors)
- The range of NPS is -100 to +100 where a positive score or any score above ‘0’ is considered as ‘Good’, +50 scores are considered as ‘Excellent’ and scores above 70 are considered as ‘World-class’.



$$\text{😊 \%} - \text{😞 \%} = \text{NET PROMOTER SCORE}$$

RESEARCH QUESTION

- ✓ What is the overall NPS of the company and which factors are responsible for impacting it?
- ✓ How efficient is Net Promoter score system in measuring customer loyalty and satisfaction in a Home Healthcare company?



RATIONALE

- The home healthcare companies are currently facing stiff competition for patients. The quality of services needs to demonstrate that it is providing the customers with what they are seeking in a home healthcare provider. To gain a competitive edge in the market, the companies should focus more on customer experience.
- Majority of the patients availing home healthcare services seek for long-term care. To retain such long-term patients, patient satisfaction must be measured and analysed consistently to meet the needs and expectations of the patients and to improve the services further.





To find out the overall NPS of the company



To identify factors influencing NPS



To suggest measures to improve NPS.



To suggest measures to assess customer satisfaction more efficiently

AIMS & OBJECTIVES

RESEARCH METHODOLOGY

- **Study design:** Descriptive cross-sectional study
- **Type of data:** Quantitative and Qualitative
- **Setting:** One Life Home Healthcare, Chennai
- **Study tools:** Questionnaires and rating scale
- **Duration of study:** 21st March to 18th June, 2022
- **Sample size:** 200 patients (from the four branches of One Life: Chennai, Coimbatore, Pune, Bangalore)
- **Sampling Technique:** Convenience sampling
- **Data Collection Procedure:** Primary data was collected from the responses given by the patients through rating scales. Secondary data was taken from the Quality Feedback data collected by the Quality Department at One Life Home Healthcare for the month of February and March.

DATA ANALYSIS PLAN



The NPS Calculation was done by using answer to one key question with the help of a 1-10 scale: How likely is it that you would recommend our services to a friend or colleague?



The respondents were grouped as follows:

Promoters- customers who gave score 9 or 10

Passives- Customers who gave score 7 or 8

Detractors- Customers who gave score between 1 to 6

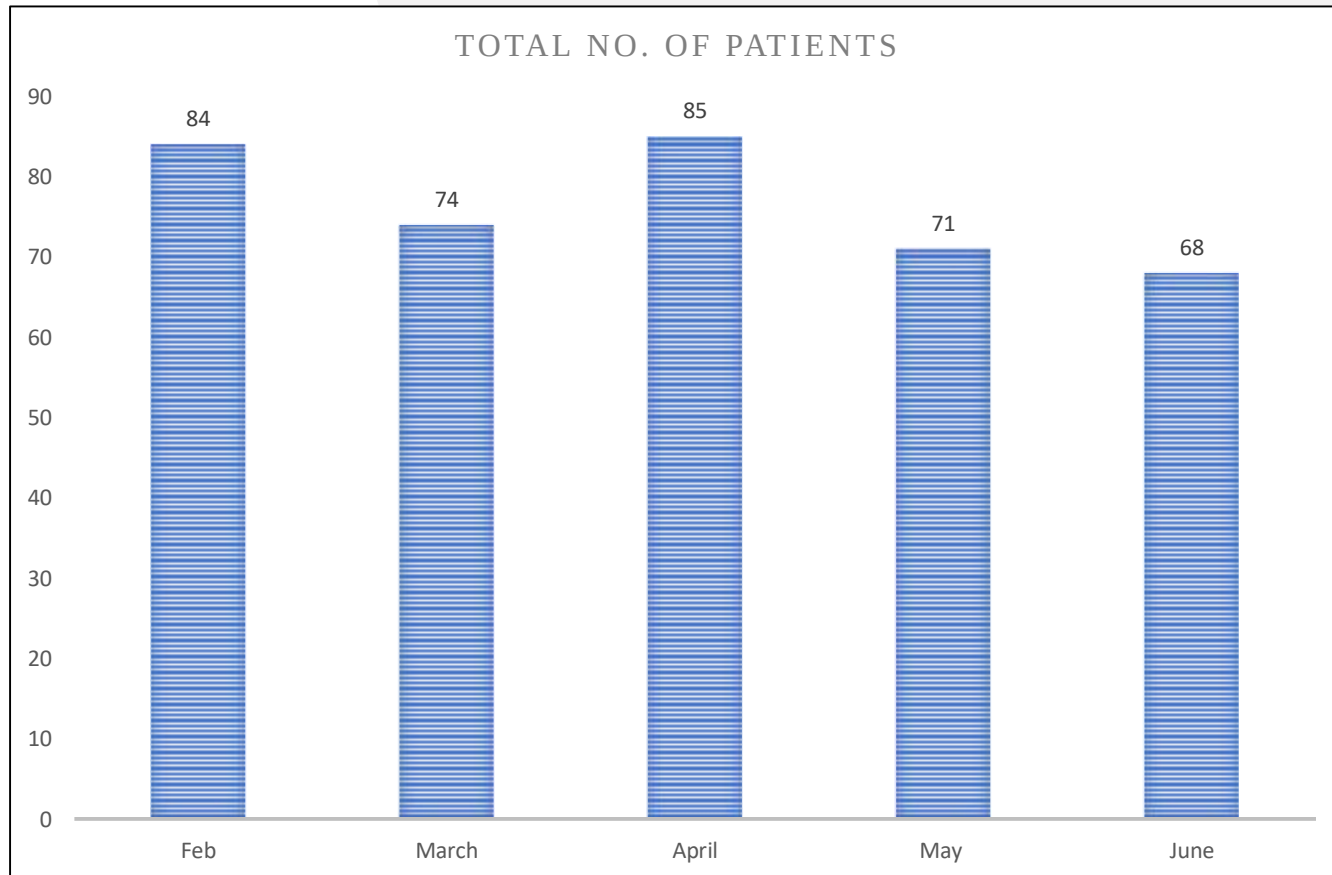


The Net Promoter Score was then calculated by subtracting the percentage of Detractors from the percentage of Promoters. The data was then analysed using Ms Excel and presented graphically through bar charts and pie charts.

DATA INTERPRETATION & ANALYSIS

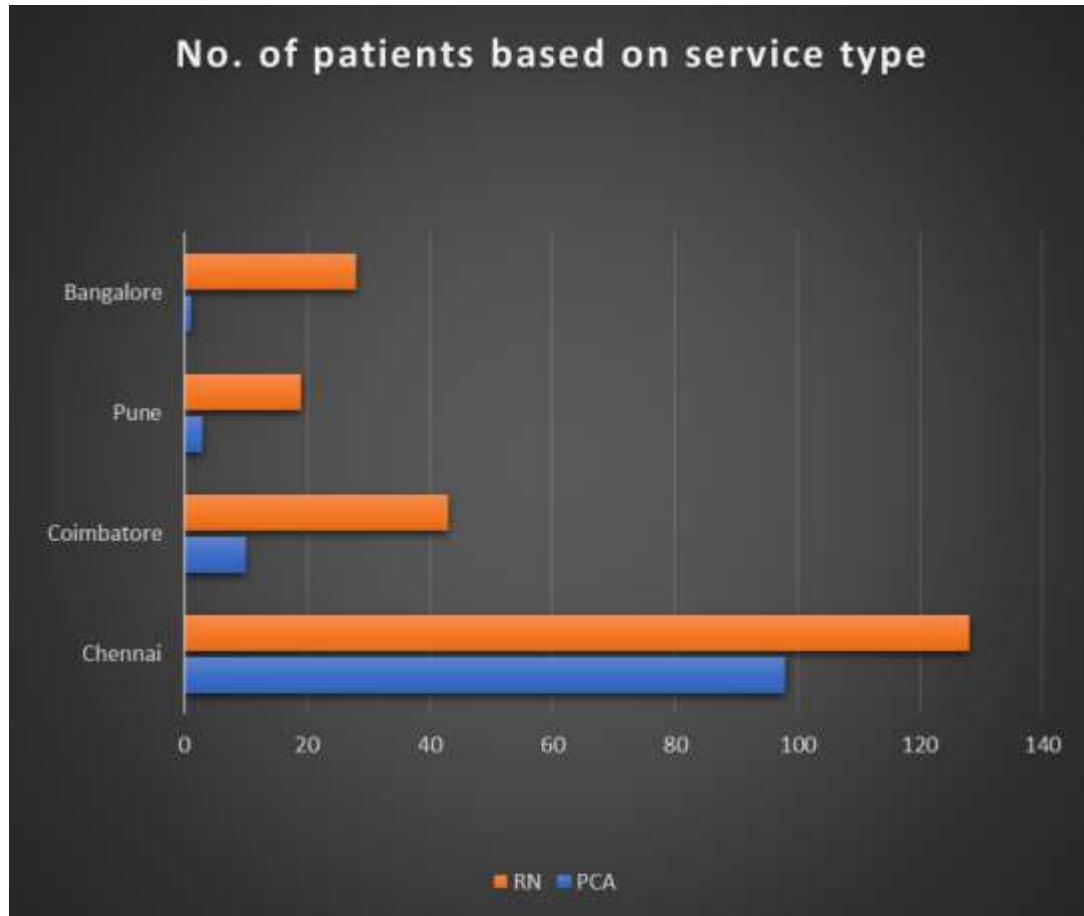


Total number of patients across all the branches of One Life for the months of February, March, April, May and June



The figure shows that the highest number of patients was noted for the month of April (85) and the least was noted for the month of June (68).

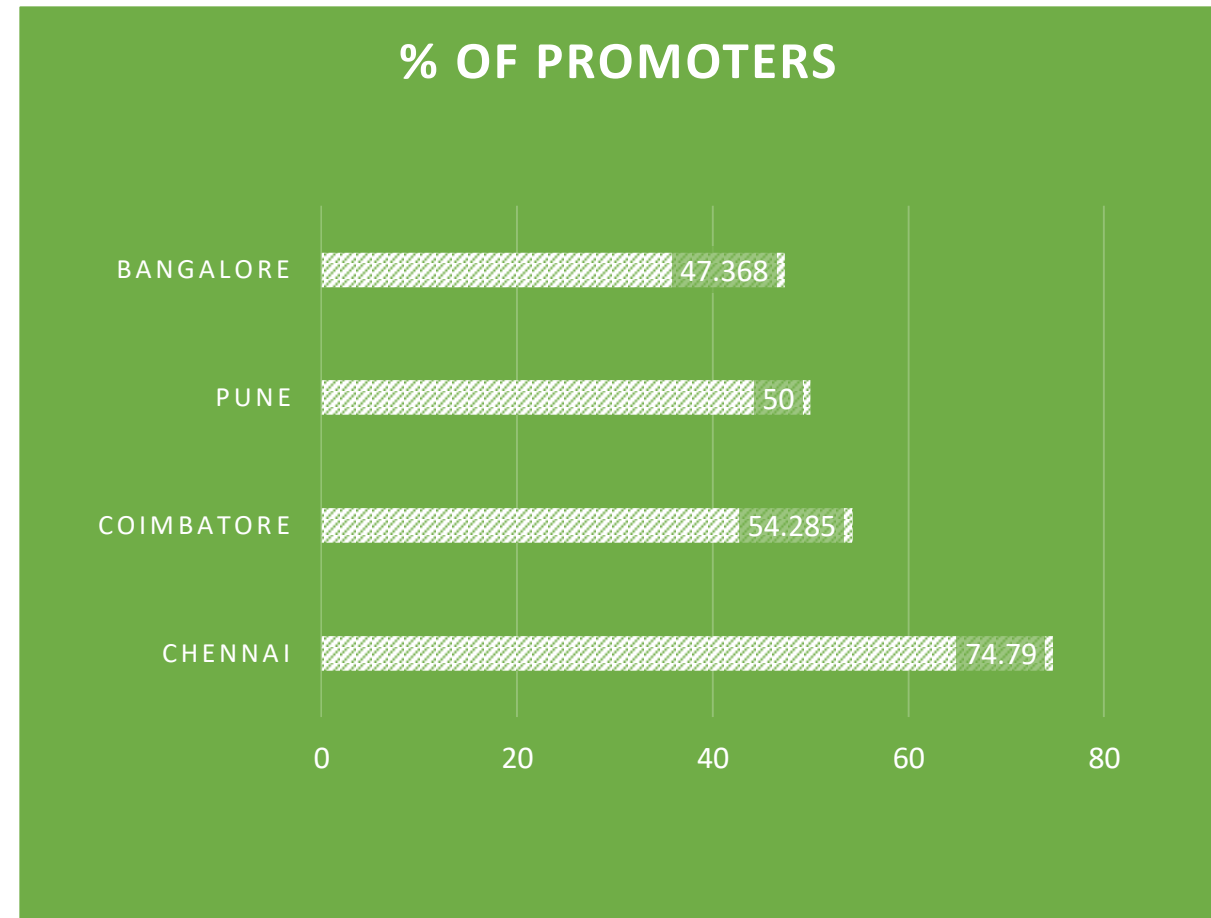
Branch-wise distribution of patients based on service type (RN/PCA)



The figure indicates that across all the branches, the RN service is utilized more than the PCA service. So, to achieve better results and customer satisfaction, the organization must focus more on the RN service category.

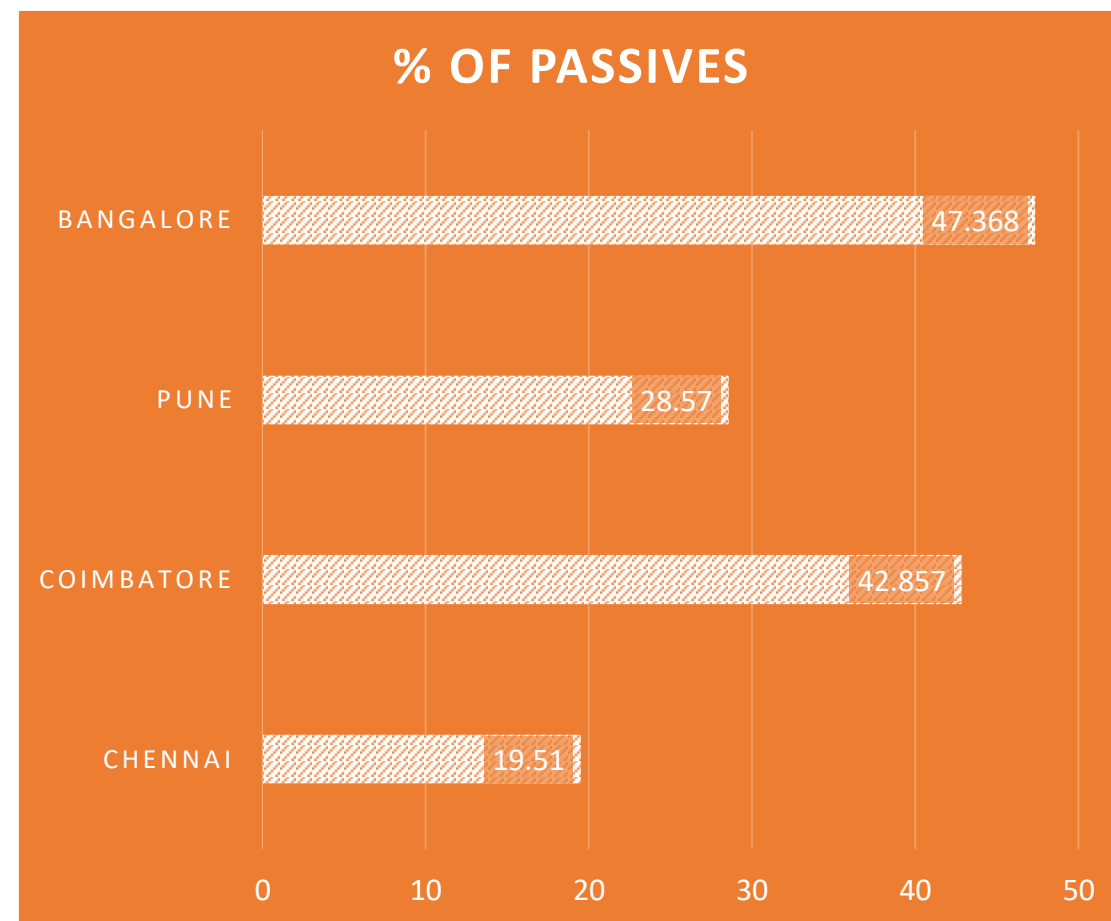
Total percentage of Promoters in the branches of Chennai, Coimbatore, Pune and Bangalore

The figure shows that the Chennai branch had the highest percentage of promoters of 74.79% whereas the Bangalore had the least percentage of promoters of about 47.37%.



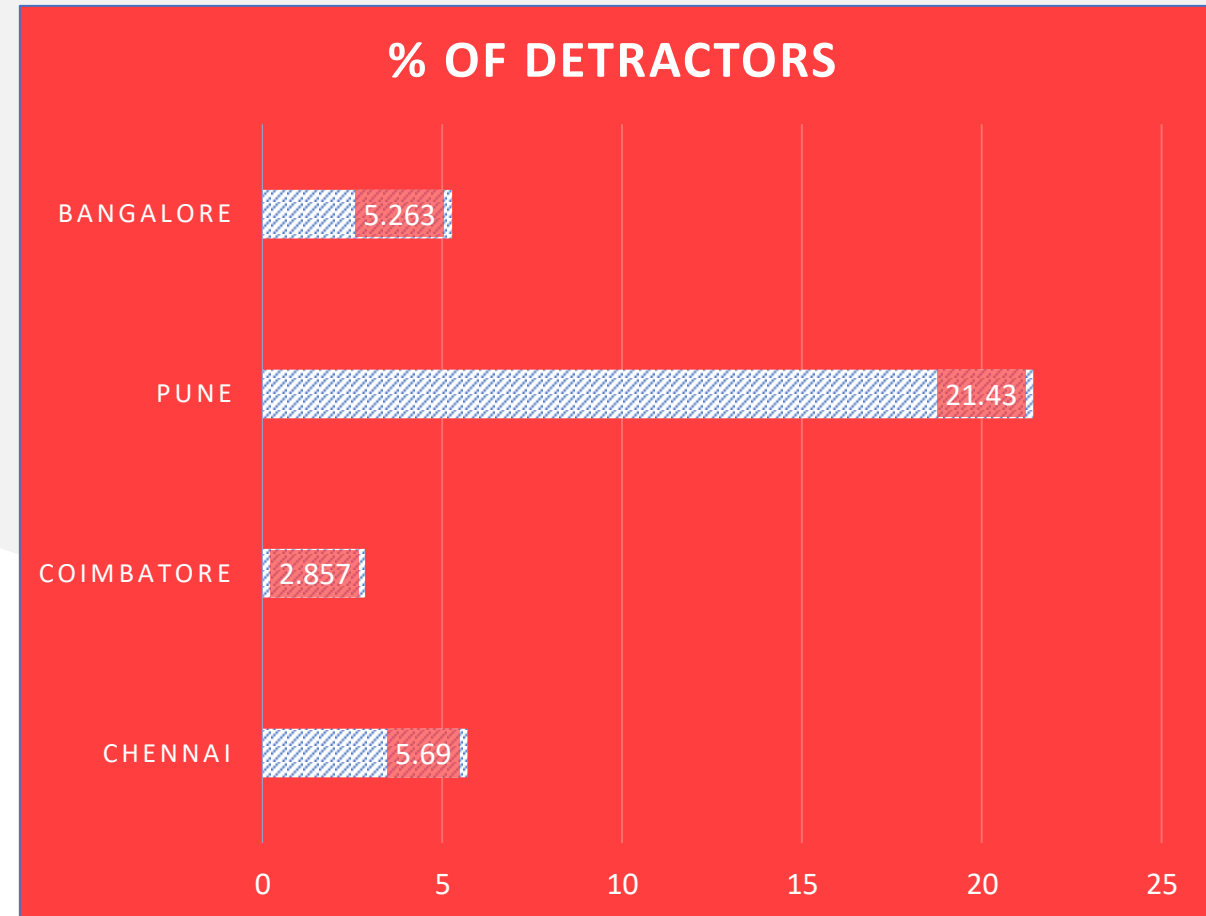
Total percentage of Passives in the branches of Chennai, Coimbatore, Pune and Bangalore

The figure shows that the Bangalore branch had the highest percentage of Passives (47.38%) whereas the Chennai branch had the least percentage of Passives (19.51%).

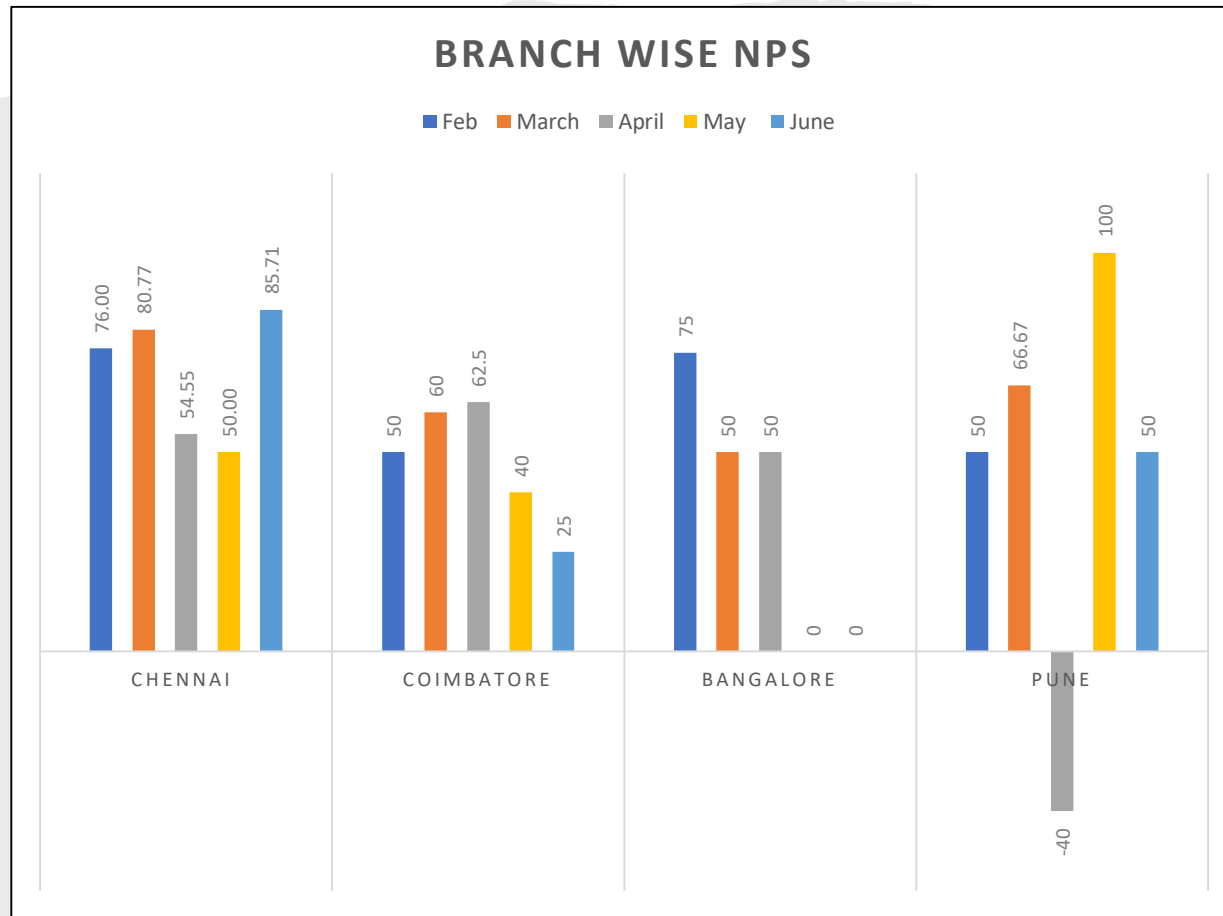


Total percentage of Detractors in the branches of Chennai, Coimbatore, Pune and Bangalore

The above figure shows that the Pune branch had the highest percentage of Detractors of 21.43% and the Coimbatore branch had the least percentage of Detractors of about 5.7%.

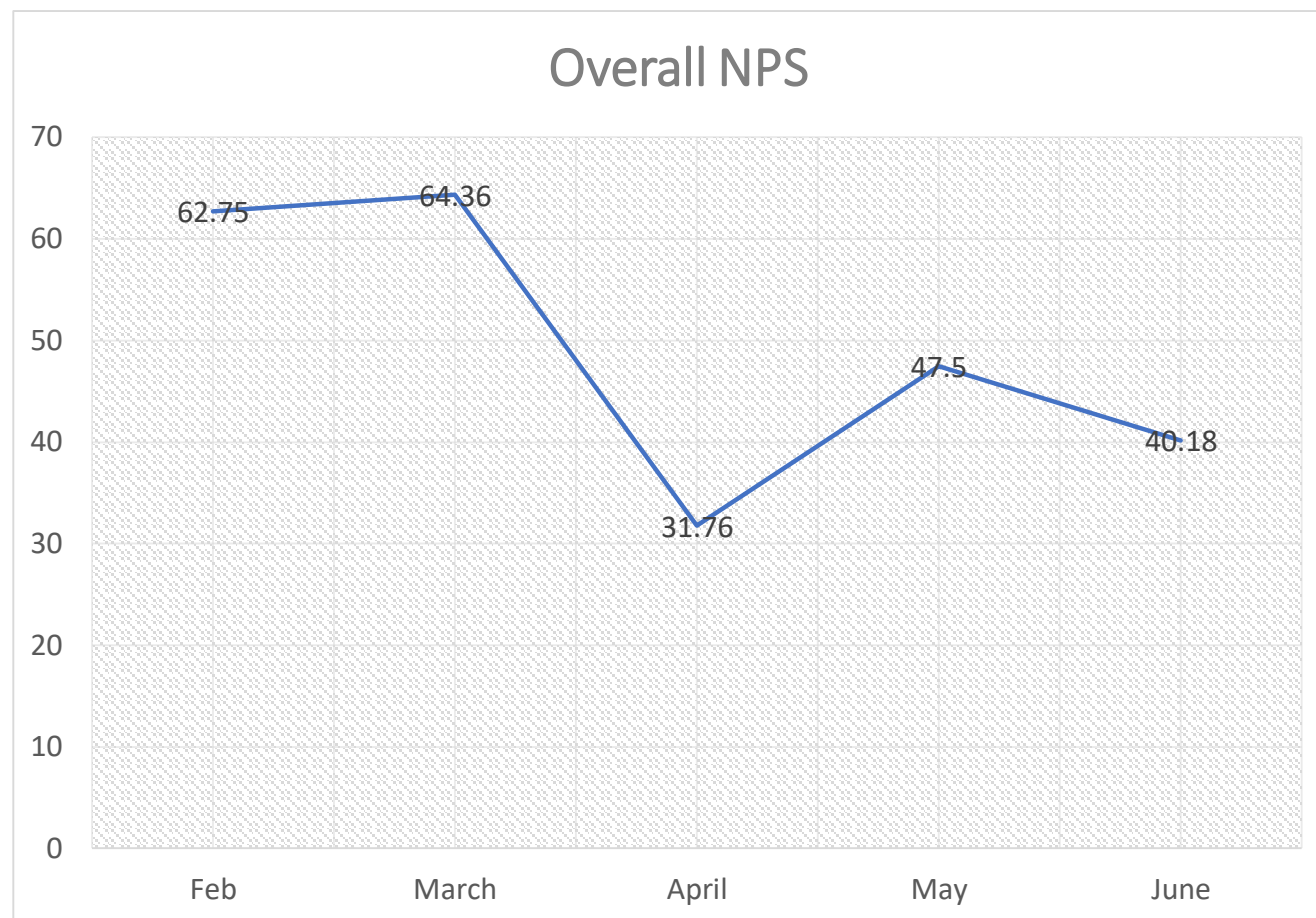


Branch wise Net Promoter Score for the months of February, March, April, May and June



The chart shows that Chennai branch had the highest NPS (85.71) in the month of June and the Pune branch had the least NPS (-40) in the month of April.

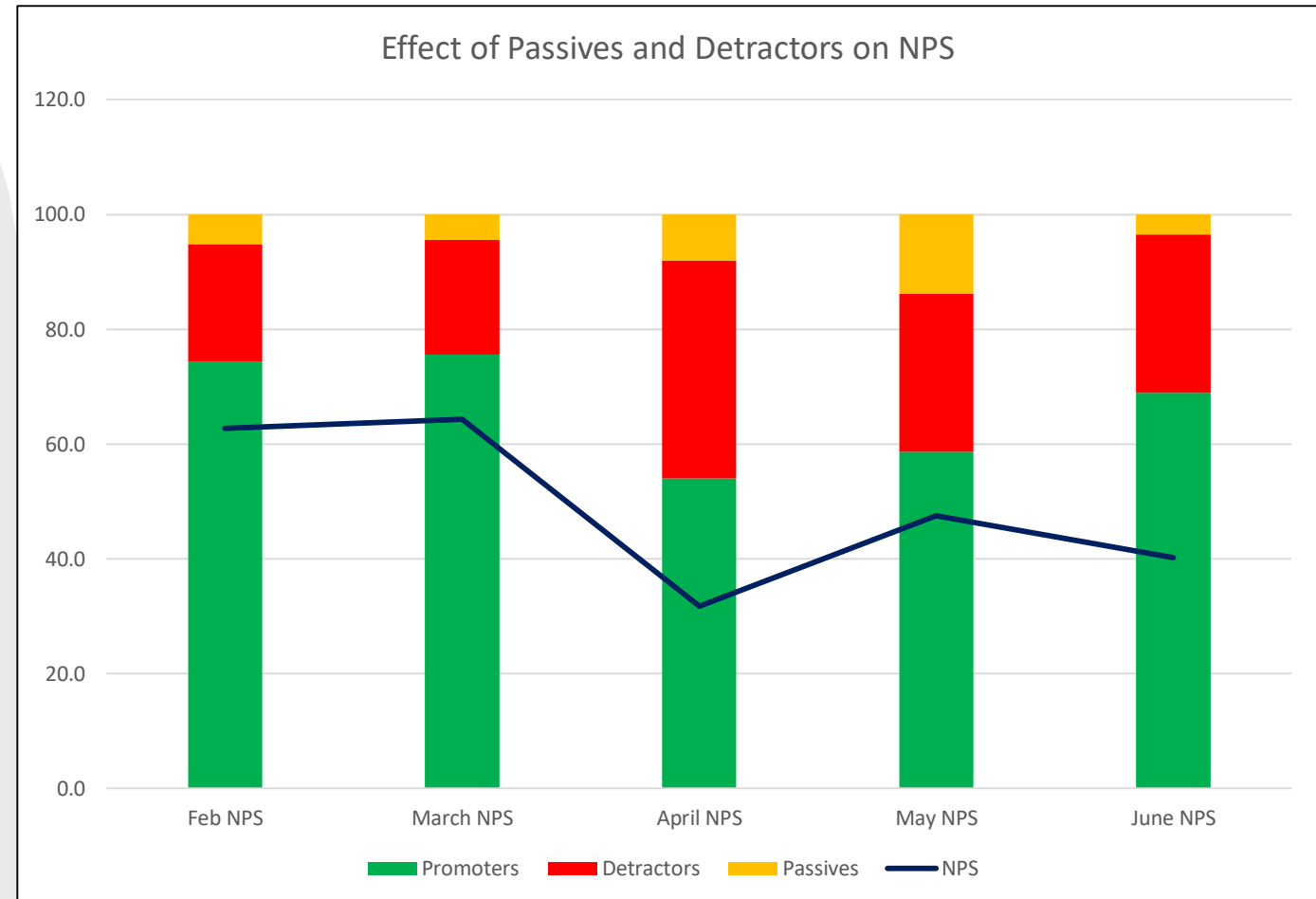
Overall Net Promoter Score for the months of February, March, April, May and June



The figure shows that the highest NPS was recorded in the month of March (64.36) following which the score dropped to the least (31.76) in the month of April.

Effect of Passives and Detractors on NPS

The figure shows the change in NPS with the changes in the numbers of Passives and Detractors

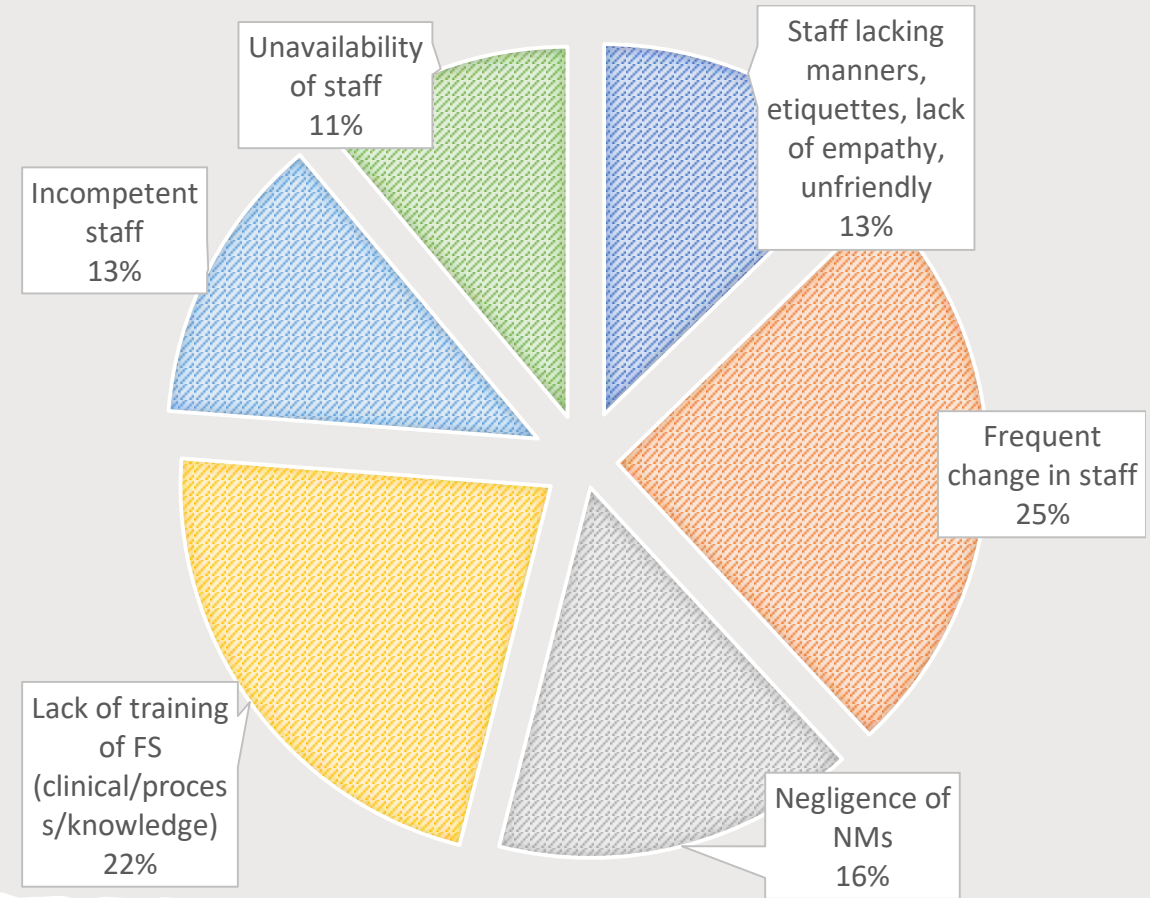


Percentage of major categories of complaints as taken from patient feedbacks from all the branches

Along with the questions asked to the patient attenders on call about service quality, they were asked to give feedback or complaints if they had any. Such feedbacks were then categorised depending on their frequency.

The major categories of complaints were:

1. Frequent change in staff (25%)- Highest
2. Field Staff lacking proper training: clinical/process/knowledge (22%)
3. Negligence of Nurse Managers (16%)
4. Incompetent and negligent Field Staff (13%)
5. Staff lacking manners, etiquettes, empathy and unfriendly (13%)
6. Unavailability of staff (11%)- Least



OBSERVATIONS

- The first operating branch was started in Chennai, which managed to build and maintain a good customer base. The other recently opened branches are still in the process of growing customer base.
- only one of the services (skilled nursing care) is utilized efficiently across all the branches followed by PCA services. This implicates that the company needs to enrich and focus more on these services as well as generate more leads for utilising the other types of services.
- The highest percentage of passives was noted for Bangalore branch. . Passives are a unique opportunity because if they are reached out with the right approach, they may get converted to an enthusiastic Promoter whereas using wrong approach can turn them into detractors.
- The overall NPS for all the branches was highest in March (64.36), the least in the next month (31.76) and the average NPS for all the five months was calculated to be 49.3.
- The average NPS (49.3) of the company can be considered 'good' based on the global standards of NPS.



OBSERVATIONS



- The open feedback taken from the patient attenders helped in exposing various loopholes in the system. The maximum number of complaints were about frequent change in staff, incompetent and untrained staff and negligence of NMs.

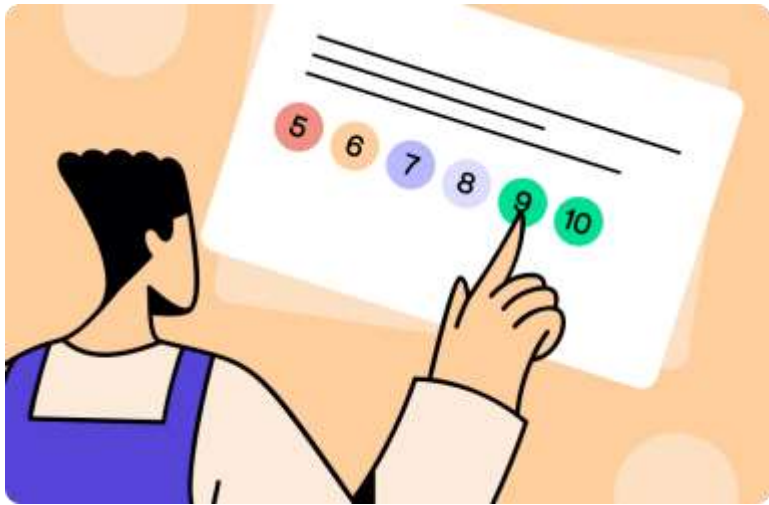
LIMITATIONS

- The customers can claim that they will recommend the company to friends/colleagues, but it is not proved that they actually do it.
- Some of the customers were not interested in giving feedback and thus they randomly gave scores only for the sake of answering.
- To conclude, although used for its simplicity, NPS can overlook some important information. Thus, along with the NPS, other metrics like CSAT (Customer Satisfaction Score), CES (Customer Effort Score) must be used to better understand customer experience.

SUGGESTIONS

- ✓ Detractors and passives should be asked about the reasons behind their scores to dig even better into the context
- ✓ Field staff and employees can be incentivized based on NPS ratings and feedbacks to motivate them for continuing their efforts.
- ✓ Regular short, interactive meetings should be held to provide a forum for all the teams to discuss service escalations and to brainstorm solutions
- ✓ Open feedback can be used by the in-house training team to train the staff on the factors that affect patient satisfaction and to how to improve in such areas.
- ✓ One more question can be added for the NPS rating, “In what ways could your experience been better?”. This encourages the customers to give honest feedbacks. The feedback can also be used to make a strategic approach to improve customer experience.
- ✓ Corrective action process should not be stopped after solving the customers’ issues. The concerned customer must be conveyed about how the situation was handled and what actions were taken by the department to fix the problem. This will make the customers feel truly valued





CONCLUSION

- Management of patient satisfaction has now become the topmost priority for health systems across the country because it has a direct impact on the company's performance
- Measuring customer satisfaction using NPS helped in finding the percentages of Promoters, Detractors and Passives of the company
- open-ended feedback also exposed some pressing issues the customers were facing
- NPS can be included as a part of strong loyalty management and customer satisfaction system. But it should not be used as the only method to capture customer satisfaction. Thus, it is suggested to use other metrics along with NPS like CSAT and CES to get a better understanding of customer experience in a company.



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