

# The Definitive Guide to NPS® for Accounting Firms



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## You're probably here for one of three reasons.

1

You've heard about the Net Promoter Score® and want to learn more.

2

You have a different survey program in place and are considering a switch to NPS.

3




You're already using NPS and want to learn how to best leverage it.

Our NPS Guide for Accounting Firms can help you better understand the Net Promoter Score and its unique value within the accounting industry. It will also offer a guide for deploying your NPS survey initiative, as well as how-to understand your results and leverage feedback in order to maximize long-term ROI, client satisfaction, and revenue.

# What is NPS?

The Net Promoter Score, or NPS for short, is a simple metric that indicates the likelihood of a referral. Though NPS surveys can contain multiple questions, the primary question asks your client, “On a scale of 0 to 10, how likely are you to recommend our firm to a friend or colleague?”

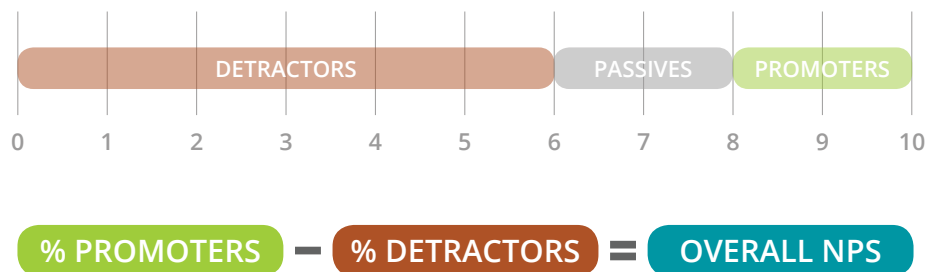
Based on their responses, clients fall into one of three categories:

-  **Promoters:** These are clients who respond with a 9 or 10, indicating high satisfaction with your firm and a high likelihood of referral.
-  **Passives:** Clients who answer with a 7 or 8 are satisfied but overall indifferent. They aren't a risk to your firm's reputation, but they aren't particularly loyal or likely to recommend your services to others.
-  **Detractors:** Detractors are clients who answer anywhere between 0 and 6. They represent some level of dissatisfaction with your service and they're the most likely to share negative feedback with their networks.

Even if this is your first time learning about the Net Promoter Score, it's likely that you've participated in an NPS survey from a vendor, retailer, or service provider before. NPS is one of the most widely utilized client feedback tools in the world, with more than two-thirds of Fortune 1,000 companies utilizing NPS surveys (**Fortune, 2020**).

## Determining Your NPS

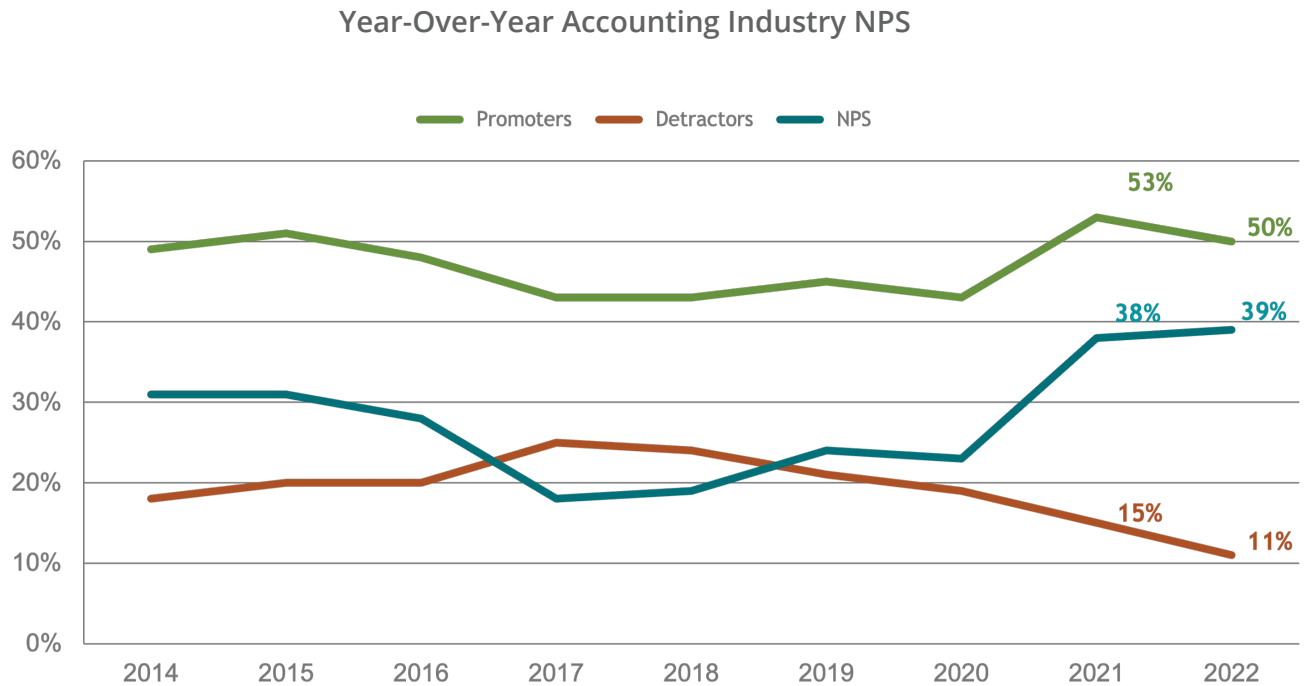
Once your survey is complete, you can determine your firm's total Net Promoter Score by subtracting the percentage of Detractors from the percentage of Promoters.



EXAMPLE: 60% - 25% = 35%

## NPS Benchmarks

ClearlyRated has been measuring industry-wide NPS benchmarks for accounting firms since 2014. This year, the average NPS reported by accounting clients is **39%**.



Source: 2022 ClearlyRated Accounting Industry Benchmark Study

## Why Use NPS?

Your business might be in numbers and dollar signs, but at the end of the day, you're a client-facing organization, and you care about the experience that your clients have working with you. No matter where you're starting — with low client satisfaction or particularly high levels of loyalty, NPS provides a powerful opportunity to both improve the client experience and leverage it for growth.

### NPS Can Help Your Firm

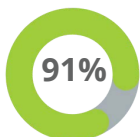
- » Measure client satisfaction, loyalty, and referrability of your firm.
- » Identify service issues and move forward with swift resolution.
- » Identify happy clients and celebrate service wins internally.
- » Measure the client experience at your firm against industry benchmarks and competitors.
- » Bring customer service to the forefront and make service quality a top-of-mind goal for employees.

NPS helps protect revenue from existing client accounts while also making you more competitive with the help of referrals. Our most recent study, which surveyed more than **180 buyers** and clients of accounting firms, finds that a whopping **91% of clients say referrals from their network impact their decision in hiring a firm**. At the same time, just less than 1/2 of accounting buyers say they would refer their existing firm to a friend or colleague.

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**Less than 1/2 of clients would refer their current firm to their networks**

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% of clients say referrals from their network impact their decision in hiring a firm.

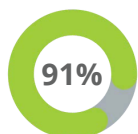


% of accounting clients who are satisfied (Promoters) but either open to other options or actively looking

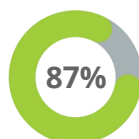
## NPS = Service Transparency

Marketing and business development in the accounting industry (across all industries for that matter) is undergoing a transparency revolution. Today's buyers are less likely to trust what you have to say about your firm, and much more willing to be persuaded by their peers (your existing clients) and others speaking on your behalf. NPS presents accounting firms with a powerful opportunity to identify Promoters and ways they can help tell your story of service excellence.

- ▶ **Referrals:** The best tool in your marketing and BD arsenal is a strong referral – one from an existing or past client who not only had a positive outcome, but a positive experience working with your firm.
- ▶ **Testimonials: 90% of accounting clients report engaging in additional research on a firm after receiving a referral.** And, testimonials are the third most trusted source of information (after referrals and independent third-party awards) when determining the quality of a potential service provider. What's more, your clients are ready to provide you with a testimonial!



% of clients say testimonials from friends or colleagues are persuasive when choosing an accounting firm.



% of accounting clients are likely to share a testimonial (if asked)

6x

Promoters are 6x more "very likely" to provide you with a testimonial

- ▶ **Online ratings + reviews:** More than **80% of accounting buyers consider online reviews and ratings as trusted sources of information when determining the quality of a service provider.** In fact, online reviews and ratings are considered equally as important as the tenure of your staff when making the decision to work with you. **91% say ratings and reviews found online have an impact on their decision.**

The number of "negative" vs. "positive" reviews have significant impact on buyer influence as well. This is where encouraging your Promoters to leave you reviews can help boost your online reputation and combat any unexpected negative reviews.



IT TAKES ONLY  
**5 NEGATIVE REVIEWS**  
TO DISCOURAGE A BUYER



WHILE  
**2X AS MANY POSITIVE REVIEWS**  
ARE NEEDED TO SWAY THEM IN YOUR FAVOR

Today's consumers are skeptical, and the truth is no matter how great your service is, prospective clients need to hear it from people like them (their peers) in order to believe it.

# Common NPS Mistakes

Thousands of businesses have implemented NPS or a similar survey program — but that doesn't mean they've all done it right.

Here are Some of the Most Common NPS Program Mistakes:

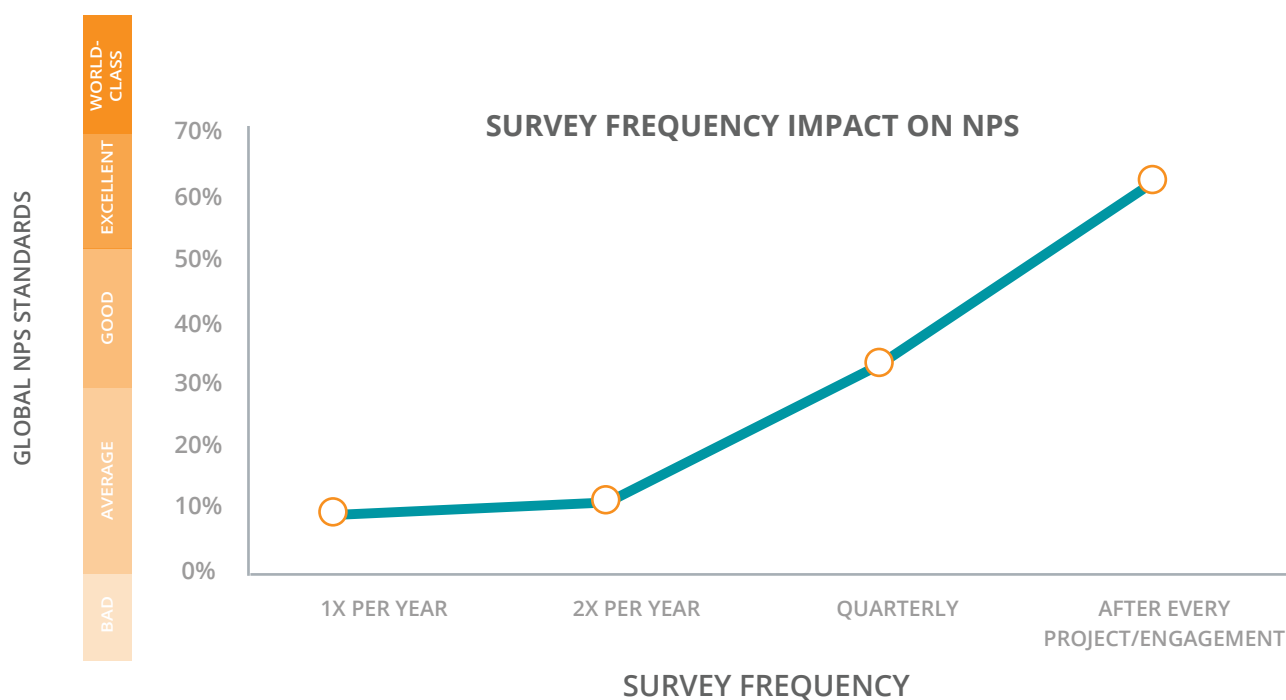
- ✗ **Waiting for consensus.** There will always be a few outliers on the team, with concerns like “It's not right for my clients,” “I never answer those surveys” or “We will do it face-to-face.” The truth is no matter what these skeptics say, online surveys are highly effective.
- ✗ **Procrastinating.** There's no perfect time for implementing an NPS program. But starting sooner is always better than starting later. The client experience will always matter — and it will always impact your client retention rates, your referrals and your revenues (i.e., your entire bottom line!).
- ✗ **Failing to appoint an internal champion.** A good NPS program is a team effort, but there has to be a point person — someone championing the program and keeping it on track. This is a key component to any successful customer feedback initiative.
- ✗ **Making your survey too long.** NPS surveys should only include a handful of questions (people are busy). The longer and more daunting your survey is, the less likely your clients will fill it out — and that means fewer opportunities to understand the client experience, improve on it and leverage it with prospective buyers.
- ✗ **Settling for a low response rate. While it's true that most B2B surveys have a low response rate, ClearlyRated Accounting NPS surveys have a median response rate of 24% and the top 20% of ClearlyRated clients have a 31% response rate,** so higher rates can (and should) be achieved. Personalize your emails, send them from a strong, spam-free server, make sure they're mobile-optimized and send follow-ups. Follow these best practices and you should see an increased response rate.

[Click here to learn how to Maximize your Client Survey Response Rate](#)

- ✗ **Failing to take action.** You need an action plan for how you will follow up on the results from your NPS survey. Detractors take the highest priority, as they give you a lifeline to fix potentially revenue-shattering problems. With your Passives, you have the opportunity to work towards improvements and act on feedback for how to improve their experience. Finally, look towards Promoters as your firm's engine for growth. Ask them to help tell your story of service excellence (through referrals, testimonials, and online ratings) and work towards replicating their experience across your entire client base.

## Common NPS Mistakes

- ✗ **Not communicating enough internally.** Your NPS results should be circulated internally after every client survey. The entire organization needs visibility into the client experience, and they also need to be held accountable for their roles in it — whether the outcomes were good or bad. Recognize wins and have an action plan in place for service losses.
- ✗ **Surveying too infrequently.** At the very least, you should survey your customers once per year. With that said, we've found that shorter, more frequent surveys perform better — particularly with accounting firm clients. If it's within the scope of reason, we recommend building a survey initiative that asks for client feedback at the end of every engagement, so you can better gauge performance as well as tie feedback to more specific moments in the client experience.



- ✗ **Failing to leverage loyal customers.** Leveraging your Promoters is crucial. According to our surveys, 90% of buyers who are referred to a firm will still engage in additional research on them — and that's where strong reviews, ratings and testimonials can play a major role in influencing their decision to work with your firm.
- ✗ **Being selective about who you survey.** With an NPS initiative, it doesn't pay to be selective. Your goal is 100% visibility into your clients' experience with your firm, and cherry-picking your survey participants will cause far more harm than good. Always seek to survey a sample that reflects your entire client base, and please - we can't say this enough - do not exclude certain clients because you're worried they will provide negative feedback. Remember: Detractors are your lifeline. Turn towards them rather than away from them and you will no doubt see returns to your firm's bottom line.



# Secrets to Winning with NPS

From the way you craft your survey emails to how you follow up on your results, there's a lot that can influence the overall success of your NPS program — and the long-term impact it has on your organization and revenue.

## FOR BEST RESULTS, WE RECOMMEND:

### ► **Personalize your emails.**

Though your survey questions might be one-size-fits-all, your emails shouldn't be. Personalize your messages with the recipient's first name and have a team leader electronically sign it to add a more personal touch. You should also use your unique brand voice in the message and ensure it looks (design) and feels (tone) like your organization. Cookie-cutter comes across as too impersonal.

### ► **Follow the 2-1-1 method.**

Be transparent with your results and send them to your entire participant base. Thank them for taking part. Then share two things you learned from the survey, one thing you found that needs improvement and one action you're taking to make that change. This holds you accountable, increases transparency and shows that you value the client's input, as well as the time they took to provide it. [Click here to learn more about the 2-1-1 follow up methodology](#) ►

### ► **Send one-on-one responses, too.**

Always follow up with customers who provided out-of-the-ordinary responses. Detractors always take priority, and we generally recommend working to fix the issue noted within 24 hours. The [Service Recovery Paradox](#) shows that a proper response here can cultivate even more long-term loyalty than a Promoter. If someone was particularly happy with your service, they deserve to be followed up with as well. Thank them and tell them you also enjoy working with them!

### ► **Create internal buy-in.**

In order to achieve a world-class or even excellent NPS, you need the entire team on board — not just a handful of higher-ups. Champion an employee (or an entire team of employees) to lead the program and task them with owning the tactical components of your NPS initiative. Once an action plan is in place, make sure all stakeholders know their role in the process, as well as how their individual actions influence the customer experience and your overall NPS results.

### ► **Incentivize service wins.**

If you want your team to care about your NPS score — and, more importantly, **improve it** — recognizing and even incentivizing their service wins is key. Whenever an employee is recognized in an NPS survey, spotlight them internally — calling attention to what they did, why it worked and what the client's response was. To further drive passion for the program, you can even offer incentives like quarterly bonuses for NPS scores over a certain threshold (\$500 every quarter if your NPS is 70% or higher, for example).

► **Leverage Promoters to improve your firm's reputation.**

Promoters have let you know that they are satisfied with your services, but that doesn't mean they don't deserve as much attention as Detractors! Ask Promoters to help you tell your firm's story of service excellence - whether by referring your services to members of their network, sharing a testimonial, or providing a rating or review online - these satisfied customers are your firm's most powerful marketing tool.

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## Interested in NPS? Here's How to Get Started

If you're looking for a way to improve your clients' experience, measure your success against industry benchmarks and better cultivate referrals, reviews and online ratings, an NPS program can help.

To learn more about NPS surveys for accounting firms, download our **Satisfaction Survey Checklist for Accounting firms**. To get started on implementing your own NPS program, **contact ClearlyRated today**.

## About ClearlyRated

ClearlyRated® is a leading provider of client satisfaction surveys and service quality research for professional service providers. We help accounting firms leverage the Net Promoter® Score survey methodology to measure the client experience, differentiate on service quality, and build online reputation. Accounting firms partnering with ClearlyRated have access to:

- Proprietary client satisfaction survey tool, specifically designed to support client survey best practices for accounting firms.
- Real-time response data and issue tracking to ensure proper follow-up and support client retention.
- Segmentation of client response data by client, practice area, affiliated partner, office location, etc.
- Accounting industry research, benchmarks, and trends on topics including (but not limited to) client satisfaction, buyer behavior, and online reputation.
- An online profile featuring client testimonials and client-based ratings – available to (and searchable by) the public on **ClearlyRated.com**.
- Eligibility to participate in the annual **Best of Accounting award program** – which recognizes accounting firms that have demonstrated exceptional service quality based exclusively on ratings provided by their clients

Interested in leveraging client satisfaction as a strategy for growth? Visit **ClearlyRated.com/Solutions** to learn more.





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