KNOWTHM
KNOW THEM BETTER
WAITING EXPERIENCE

CASE STUDY | Your QUEUING SYSTEM Supporting THE INCREASE OF NPS AND THE DECREASE OF CHURN

In our recent study conducted in Belgium in 2020, **KNOW**THM found that each additional minute spent waiting beyond 13 minutes, the Net Promoter Score (NPS) decreases by 1.15 points. For shoppers that had a wait time of more than 22 minutes, the NPS score drops to 0 and becomes irreversible, evidencing a reduction in customer satisfaction but also churn.

As every phone network retailer knows, it is not uncommon for customers to have to wait more than 25 minutes to be served, and as a result, telecommunication (telcos) companies very rarely see their NPS score exceed 0.

Churn is a great example of how poor customer experience can have a big negative effect on your network. Churn is defined as a consumer of your network moving brands, ultimately, taking their business to your competitors.

NPS calculations are the best indicator of whether your customers will be loyal to your brand, product, or service. It also pinpoints whether these consumers would be willing to recommend you to others.

HOW THE USE OF SMARTQUEUE POSITIVELY IMPACTS NPS score.

In this recent **KNOW**THM Case Study, we were able to simulate the impact of a reduced waiting time in-store by providing customers with a virtual queuing system.

Our study included a 5-day analysis of customer waiting time (where/when). The study control segment had an average of 132 visitors per day, a total of 660. The locations either had an existing queue management system called FIFO or no queue manager.

We found out:

- Customers who waited less than 13 minutes are ranked as promoters. These are the most valuable consumers of any brand.
- Those that had a wait between 13 to 15 minutes gave a passive score. This meant that their positive experience of the business is significantly reduced, resulting in an unlikelihood of recommending the service.
- Having to wait more than 16 minutes showed that customers became detractors. These consumers were more likely to speak and think negatively about the business. Within businesses where a subscription is required, like cell phone networks, detractors are more likely to move their services to another brand. This is called churn.

Find out which of your customers are promoters by reading this article.

NPS calculations of the control segment are:

- 362 visitors waited 16 minutes or more (55%),
- 21 customers waited between 13 and 15 minutes (3%),
- 277 waited less than 13 minutes (42%).
- **The calculated NPS is -12**

This resulted in a negative net promoter score.

We repeated the test after integrating SmartQueue into the customer experience, which in previous studies has shown a reduced wait time. SmartQueue by **KNOW**THM typically reduces a 25 minute wait time to 16 minutes on average. Here's the net promoter score after the study:

- 269 visitors waited 16 minutes and more (41%),
- 18 customers waited between 13 and 15 minutes (3%),

- 373 waited less than 13 minutes (57%).
- **The calculated NPS is 15**

This resulted in a positive net promoter score.

Through these studies, **KNOW**THM was able to evidence how SmartQueue is beneficial in improving customer satisfaction. By modifying the experience and reducing the overall waiting time, SmartQueue can improve a brand's in-store NPS score by 20 to 30 points.

In an increasingly competitive environment, customers feeling dissatisfied with their experience are more likely to leave that brand in the future. Dissatisfaction (consumers who fit within the detractor segment) generally lead to higher rates of churn, ultimately losing business to your competitors.

To avoid this loss of customers, it's important to act on the elements you can control. Reducing waiting time for your customers is one of them.