

1Lattice

# Analyzing NPS and CSAT Ratings

at **Awfis Space Solutions Ltd.**



6<sup>th</sup> May, 2024

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# 1. Introduction

## 1.1. Data collection methods

Awfis, a prominent coworking space provider with a presence in 16 Indian cities, employs a comprehensive and technologically advanced strategy for gathering Net Promoter Scores (NPS) and Customer Satisfaction (CSAT) ratings. Their methodology involves a monthly data collection process spanning all 16 cities. Awfis' feedback collection process consists of sending personalized emails to all Awfis members utilizing their office spaces, provided they are listed in the Awfis database. However, it's worth noting that certain clients, for various reasons, do not supply individual employee emails or choose not to participate in the feedback survey. The NPS rating is derived from a single question "On a scale of 0 to 10, how likely are you to recommend our product or service to others?". Respondents are categorized as promoters (scores 9-10), passives (scores 7-8), or detractors (0-6) to calculate the NPS score. The CSAT ratings are derived from evaluations of six key parameters mentioned in the report below. Awfis also pushes the same survey through its App as well. This meticulous approach ensures that each customer's viewpoint is considered and contributes to a precise evaluation of customer satisfaction.

In their data collection process, Awfis utilizes the services of Amazon Web Services (AWS) to manage and secure the data efficiently. The integration of AWS services not only facilitates the storage and analysis of the collected data but also ensures data security and compliance with evolving IT policies. Awfis is committed to keeping their IT policy up to date, reflecting their dedication to maintaining the integrity and privacy of the data they collect while leveraging technology to provide the best possible customer experience in their coworking spaces.

## 1.2. Sample Size and Demographics

This chart presents response data gathered across various offices over multiple fiscal years. It is essential for understanding the regional or office-specific trends and variations in customer feedback. Some cities consistently demonstrate higher response rates, while others may have limited or sporadic feedback. This could be attributed to factors like office size, customer presence, or data collection efforts.

### Sample split across cities and years

(#)

Year	FY21	FY22	FY23	FY24
Mumbai	125	990	1785	1204
New Delhi	38	274	287	129
Pune	71	679	1098	548
Gurgaon	62	357	637	243
Hyderabad	48	1039	1813	939
Kolkata	35	620	762	455
Bengaluru	91	771	1298	888
Noida	6	84	171	135
Chandigarh	2	27	31	19
Chennai	0	270	746	513
Ahmedabad	0	105	134	104
Indore	0	24	86	58
Bhubaneswar	0	1	24	32
Kochi	0	0	3	14
<b>Total</b>	<b>478</b>	<b>5241</b>	<b>8875</b>	<b>5281</b>

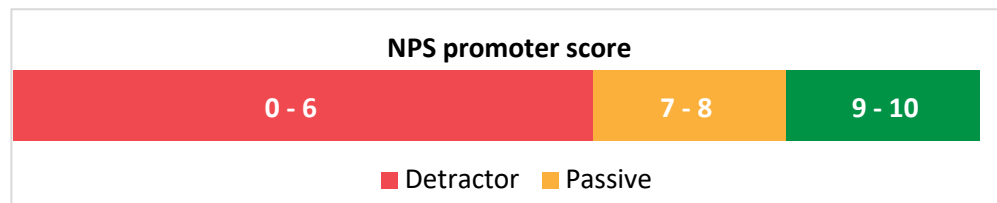
**Note:** Centres in Jaipur and Nagpur are not a part of the response data due to client restrictions on participation.

## 2. Understanding NPS & CSAT

### 2.1. What is NPS?

The Net Promoter Score (NPS) is a metric used to gauge customer loyalty and satisfaction. It is derived from a single question, "On a scale of 0 to 10, how likely are you to recommend our product or service to others?" Respondents are categorized as promoters (high scores), passives (moderate scores), or detractors (low scores). Respondents are classified into three categories based on their responses:

- **Promoters (Scores 9-10):** Promoters constitute contented and enthusiastic customers who are predisposed to endorse your product or service to others. They signify a loyal customer base crucial for a company's advancement.
- **Passives (Scores 7-8):** Passives are content but moderately enthusiastic customers. They might recommend your offering but lack the fervor of promoters.
- **Detractors (Scores 0-6):** Detractors represent discontented customers who are disinclined to recommend your product or service. They may even actively discourage others from utilizing your offerings.



### 2.2. How is NPS calculated?

NPS is calculated by subtracting the percentage of detractors from the percentage of promoters and can range from -100% to +100%. A higher NPS indicates stronger customer loyalty and satisfaction, while a lower NPS suggests areas for improvement in customer experience.

The formula for calculating the Net Promoter Score (NPS) is as follows:

$$NPS = \%Promoters - \%Detractors$$

Where:

% Promoters = Percentage of respondents with a score of 9 or 10.

% Detractors = Percentage of respondents with a score of 0 to 6.

### 2.3. Significance of NPS

NPS holds substantial significance for the following reasons:

- **Simplicity:** It provides a straightforward measure of customer sentiment, making it easy to understand and communicate within an organization.
- **Focus on Loyalty:** NPS underscores the importance of customer loyalty and advocacy, which are fundamental drivers of business growth.
- **Comparability:** NPS allows for comparisons within your organization over time and with industry benchmarks, facilitating the assessment of your performance relative to competitors.
- **Actionability:** It not only measures customer sentiment but also offers a clear path for improvement by pinpointing areas where you can enhance the customer experience.

Understanding NPS is fundamental for interpreting the results of your analysis and making informed decisions to enhance customer satisfaction and loyalty. In the subsequent sections, we will explore the

collected data and specific findings from our NPS analysis, which will guide actionable insights and improvement strategies.

NPS < 0%	NPS is between 0 and 25%	NPS is between 25% and 50%	NPS is >=50%
Poor	Positive but needs improvement	Good	Very good

A score above 0 indicates more promoters than detractors, which is generally considered a positive sign. A score above 25% is often seen as good, while a score above 50% is very good. Keep in mind that what constitutes a "good" NPS can vary by industry and company, so it's essential to benchmark the score against the competitors or industry standards for a more accurate assessment.

## 2.4. What is CSAT?

Customer Satisfaction Score (CSAT) is a pivotal metric for organizations aiming to understand and enhance their customer relations. It serves as a barometer of customer contentment with the products or services they've received, providing valuable insights into the customer experience.

CSAT surveys typically ask customers to rate their satisfaction on a predefined scale, with 1 being the lowest and 10, or occasionally 5, being the highest. By collecting and analyzing this data, companies gain a clear understanding of how well they are meeting customer expectations.

## 2.5. How is CSAT calculated?

CSAT, or Customer Satisfaction Score, is a widely used metric for evaluating customer satisfaction with a product, service, or overall customer experience. It is typically measured on a scale from 1 to 10. The question posed to customers often takes the form of "How satisfied are you with [product/service/experience]?" with responses ranging from 1 (Very Dissatisfied) to 10 (Very Satisfied).

To calculate the CSAT score using a 1 to 10 scale, you can take the average of the ratings provided by the customers. For example, if you collect responses from multiple customers and their average rating is 8.5 out of 10. A higher CSAT score indicates a higher level of customer satisfaction.

## 2.6. Significance of CSAT

A high CSAT score indicates that a significant proportion of customers are content with their experiences, while a lower score suggests room for improvement. Armed with this knowledge, businesses can pinpoint areas of strength and weakness, allowing them to allocate resources more effectively, make informed decisions, and implement changes that boost overall satisfaction.

Moreover, monitoring CSAT over time enables organizations to track trends, assess the impact of strategic initiatives, and make continuous improvements that align with the ever-evolving needs of their customer base. In an increasingly competitive business landscape, CSAT serves as a valuable compass, guiding companies towards greater customer satisfaction and loyalty.

### 3. Data Analysis

#### 3.1. NPS score distribution across years

NPS Rating	FY2021	FY2022	FY2023	FY2024 (Q1)
Detractors	11%	12%	9%	7%
Passive	29%	22%	20%	17%
Promoters	60%	66%	71%	76%
<b>NPS</b>	<b>49%</b>	<b>54%</b>	<b>63%</b>	<b>70%</b>

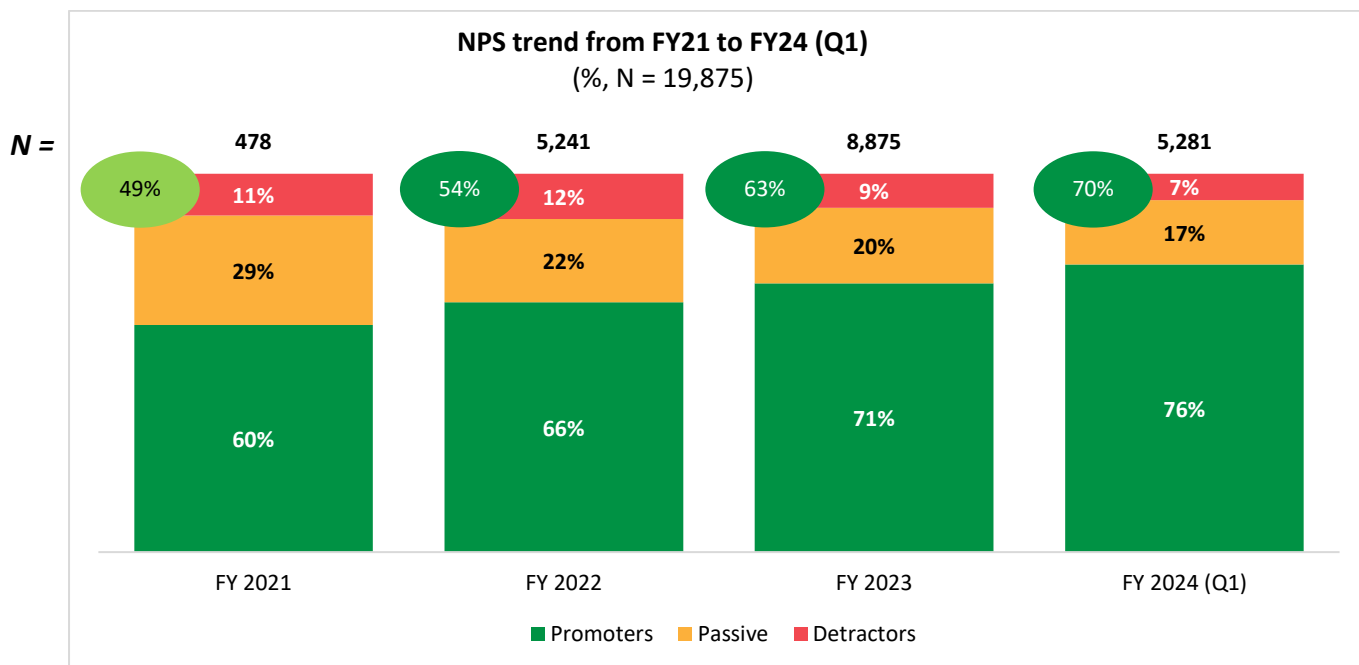
NPS < 0%	NPS is between 0 and 25%	NPS is between 25% and 50%	NPS is >=50%
Poor	Positive but needs improvement	Good	Very good

Over the course of four fiscal years, spanning from FY2021 to FY2024 (Q1), the Net Promoter Score (NPS) dataset reveals a striking narrative of consistent and substantial growth in customer satisfaction and loyalty.

Commencing at an NPS of 49% in FY2021, Awfis embarked on a noteworthy journey of improvement, with each subsequent year witnessing a significant surge in the proportion of promoters and a concurrent reduction in detractors. By FY2024 (Q1), the NPS had soared to a remarkable 70%.

These findings not only underscore the Awfis' adeptness in meeting and exceeding customer expectations but also emphasize the vital role of perpetual NPS monitoring and strategic action to perpetuate and potentially further augment customer satisfaction in the years to come.

This impressive upward trajectory in NPS signals the efforts to enhance the customer experience and build loyalty have yielded tangible and commendable results. It is evident that a dedicated focus on improving customer satisfaction, addressing concerns, and bolstering the positive aspects of the customer journey has resonated with the customer base.



### 3.2. NPS score distribution across cities

Comparing FY21 and FY24 (Q1) NPS data for various cities reveals intriguing insights into how regional customer satisfaction evolved over this period. Notably, New Delhi and Noida experienced an exceptional NPS growth, surging from 34% (New Delhi), 17%(Noida) in FY21 to an impressive 78% (New Delhi), 73% (Noida) in FY24 (Q1).

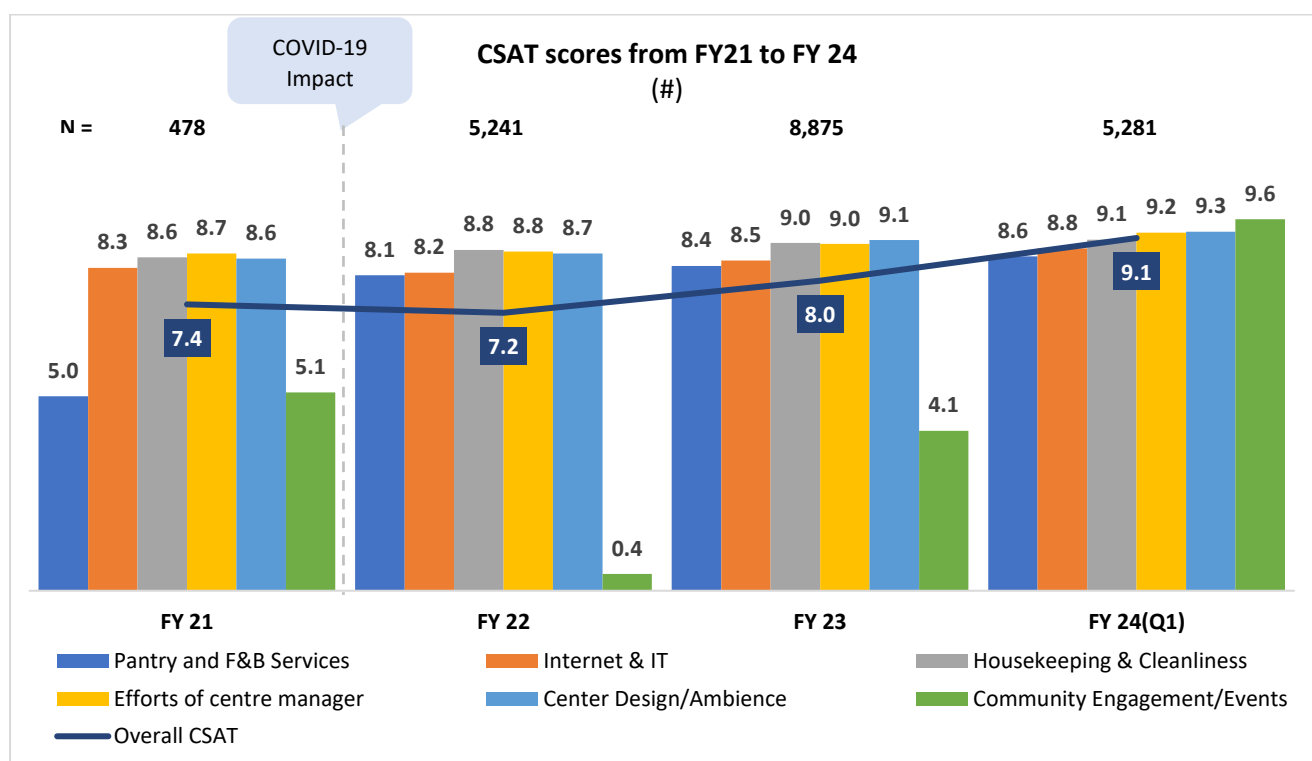
This remarkable progression signifies a substantial improvement in customer satisfaction and loyalty in this city, reflecting effective strategies or improvements implemented. In contrast, Ahmedabad, which began with a strong NPS of 88% in FY22, experienced a decline, reaching 68% in FY24 (Q1). However, since there is only a single center in Ahmedabad city, the company may investigate to determine if there is anything significant reason behind the same. Nevertheless, it's worth noting that Ahmedabad's NPS remains within the "very good" range.

NPS distribution across cities from FY21 to FY24 (Q1)  
(%)

Years	FY21	FY22	FY23	FY24(Q1)
Mumbai	56%	56%	51%	61%
New Delhi	34%	45%	69%	78%
Pune	48%	49%	65%	74%
Gurgaon	48%	28%	49%	62%
Hyderabad	29%	53%	64%	73%
Kolkata	66%	72%	86%	82%
Bengaluru	49%	55%	62%	71%
Noida	17%	77%	70%	73%
Chandigarh		70%	81%	84%
Chennai		43%	65%	65%
Ahmedabad		88%	81%	68%
Indore		58%	69%	76%
Bhubaneswar		100%	63%	78%
Kochi			33%	64%

Note: Blank cells indicate either the absence of a center or no feedback due to new center. CSAT data for Indore (FY22), Bhubaneswar (FY22 & FY23), and Kochi (FY23 – FY24(Q1)) has low responses (N<30) and may/may not be actual representation of customer sentiment.

### 3.3. CSAT analysis across years



The overall Customer Satisfaction (CSAT) rating demonstrated a significant and commendable increase from FY 21 to FY 24 (Q1), moving from 7.4 to 9.1. This remarkable improvement reflects a concerted effort to enhance the customer experience across various service parameters. Notably, during the challenging times

brought about by the COVID-19 pandemic, certain parameters such as Community Engagement and F&B Services saw temporary setbacks.

The dataset presents customer satisfaction ratings across various parameters for the fiscal years FY21 through FY24 (Q1). Here's an analysis of the data:

- **Internet & IT:** The parameter of Internet & IT saw a steady improvement in customer satisfaction, rising from 8.3 in FY21 to 8.8 in FY24 (Q1). This suggests that the efforts in this domain have been effective in meeting customer expectations.
- **Pantry and F&B Services:** In FY21, the customer satisfaction rating for Pantry and F&B services started at a relatively low 5.0. This lower rating in FY21 may be attributed to the initial challenges posed by the pandemic. Likely adapted to the changing circumstances and implemented safety measures, customer satisfaction gradually improved, reaching 8.6 by FY24 (Q1)
- **Housekeeping & Cleanliness:** This parameter consistently received high satisfaction ratings, starting at 8.6 in FY21 and steadily increasing to 9.1 in FY24 (Q1). It reflects the commitment of maintaining cleanliness and hygiene, which has been well-received by respondents.
- **Community Engagement/Events:** Customer satisfaction in Community Engagement/Events was also notably low in the early years, with a rating of 5.1 in FY21. The lower rating likely reflects the limitations imposed by the pandemic on social gatherings and events. However, as the situation improved, Awfis adapted its engagement strategies to align with safety measures, customer satisfaction surged to 9.6 in FY24 (Q1)
- **Center Design/Ambience:** Satisfaction with Center Design and Ambience remained high throughout the years, with scores gradually increasing from 8.6 in FY21 to 9.3 in FY24 (Q1).
- **Efforts of Centre Manager:** Customer satisfaction with the efforts of the center manager also consistently increased from 8.7 in FY21 to 9.2 in FY24 (Q1).

### 3.4. CSAT analysis across cities

The table illustrates CSAT scores for different cities in India over multiple fiscal years. The overall CSAT score increased from 7.4 to 9.1 during this period, signifying a notable improvement in customer satisfaction. Among the cities under consideration, Mumbai, New Delhi, Pune, Gurgaon, Hyderabad, Kolkata, Bengaluru, and Noida have all experienced a rise in their CSAT scores. Notably, Gurgaon and Noida showed significant improvements, reflecting a substantial increase in customer satisfaction.

The positive correlation between these enhancements and rising NPS scores underscores that customer-centric strategies, adaptability, and continuous efforts to provide an outstanding customer experience have contributed to the overall uptick in customer sentiment.

**CSAT variation across cities from FY21 to FY24(Q1)**  
(%)

Year	FY21	FY22	FY23	FY24 (Q1)
Overall	7.4	7.2	8	9.1
Mumbai	7.5	7.2	7.9	8.9
New Delhi	7	7	8.1	9.2
Pune	6.9	7.1	8.1	9.2
Gurgaon	7.8	6.7	7.6	8.9
Hyderabad	7.2	7.1	7.9	9.2
Kolkata	7.7	7.5	8.4	9.4
Bengaluru	7.4	7.2	8	9.1
Noida	7.7	7.7	8.3	9.2
Chandigarh		7.1	9.1	9.6
Chennai		6.9	8.2	8.9
Ahmedabad		7.8	8	9.2
Indore		7.3	8.4	9.3
Bhubaneswar		8.3	8.4	9.6
Kochi			7.7	8.3
<b>Total responses</b>	<b>478</b>	<b>5241</b>	<b>8875</b>	<b>5281</b>

*Note: Blank cells indicate either the absence of a center or no feedback due to new center. CSAT data for Indore (FY22), Bhubaneswar (FY22 & FY23), and Kochi (FY23 – FY24(Q1)) has low responses (N<30) and may/may not be actual representation of customer sentiment*





## 4. Summary of the report

### 4.1. Summarized insights

Over a four-year period spanning from FY2021 to FY2024 (Q1), Awfis has achieved a remarkable and consistent improvement in customer satisfaction and loyalty as evidenced by its Net Promoter Score (NPS) and Customer Satisfaction (CSAT) data. The NPS increased from 49% in FY2021 to an impressive 70% in FY2024 (Q1), signifying a notable surge in customer satisfaction. This remarkable progress reflects Awfis' dedication to enhancing the customer experience and building loyalty, with specific cities like New Delhi and Noida standing out for their exceptional NPS growth. While some cities, like Ahmedabad, saw a slight NPS decline, it remained within the "very good" range.

Additionally, the CSAT ratings experienced significant growth, moving from 7.4 in FY21 to 9.1 in FY24 (Q1), illustrating concerted efforts to enhance the customer experience. Various service parameters, including Internet & IT, Pantry and F&B Services, Housekeeping & Cleanliness, and Community Engagement/Events, all demonstrated substantial improvements in customer satisfaction over the years. The positive correlation between these enhancements in customer satisfaction and rising NPS scores highlights the effectiveness of Awfis' customer-centric strategies and adaptability, showcasing its commitment to delivering an outstanding customer experience.

In summary, Awfis' NPS and CSAT data reflect a consistent and commendable journey of growth in customer satisfaction and loyalty. The company's ability to adapt to changing circumstances, address challenges, and maintain a focus on customer-centric strategies has been instrumental in achieving these impressive results, underscoring its commitment to ensuring a high level of customer satisfaction and loyalty.

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