

# GLOBAL NPS & ENPS BENCHMARK REPORT 2018

Profiles of 20 top performing companies

## Top 10 NPS companies



Tesla | Automotive/ Energy storage



Costco | Consumer Brands/Grocery



Starbucks | Food and beverage/Coffee retailing



Usaa | Financial Services/Banking



Airbnb | Lodging/Tourism



Apple | Consumer Electronics



Netflix | Media/Entertainment



Samsung | Consumer Brands/Electronics



Southwest | Travel and Hospitality/Airlines



Eurofins | Laboratory testing

## Top 10 eNPS companies

92	Hubspot	Software
83	Sendgrid	IT Services
80	Shopify	E-commerce
76	Costco	Retail/Discount Stores
65	Zillow	Real Estate
62	Aflac	Financial services/Insurance
61	Hasbro	Toy manufacturing
61	Netflix	Media/Services
60	LG	Technology/Electronics
59	Intuit	Software/Banking



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A COMPANY MUST BE ENGAGED  
WITH CUSTOMERS AROUND THINGS  
THAT ARE IMPORTANT TO THE  
CUSTOMERS. I REFER TO THOSE  
THINGS AS MOMENTS OF TRUTH,  
AND COMPANIES HAVE TO SPEND  
SOME TIME FINDING OUT WHAT  
THEIR MOMENTS OF TRUTH ARE BY  
ASKING CUSTOMERS.

If you believed everything you heard, saw and read, you'd think that every company in the world was focused on building an amazing customer experience. These businesses do everything they think will lead to loyal, happy customers—everything, that is, except actually engage with them in a meaningful way. Too often, companies ask their customers to provide specific input, such as to “like” them on Facebook, for example, or fill out a survey - when they should be letting customers decide for themselves what they want to say and do.

“A company must be engaged with customers around things that are important to the customers”, says Denis Pombriant, managing principal at CRM consultancy Beagle Research Group and author of a customer engagement book, “Solve for the Customer”. “I refer to those things as moments of truth, and companies have to spend some time finding out what their moments of truth are by asking customers.”<sup>1</sup>

Most business leaders would agree that a key to a company's success is an ongoing stream of happy customers, willing to pay for the company's goods and services. And then getting

# NPS & ENPS REPORT

them to come back ... again and again. But let's talk a bit about the people who actually face the customer- the employees. These people can make the difference between your company's success and its total failure. In a recent study, Gallup reported that employees who are engaged are more likely to improve customer relationships, with a resulting 20 percent increase in sales.<sup>2</sup>

But how many companies actually listen to the voice of the employee? Whilst a number of brands are tuned in to customer feedback- and quite rightly so- one often overlooked aspect of a customer experience strategy is that of the employee. It is frequently pointed out that contented employees are imperative

for successful customer experience management, and there is a lot of truth in this; happier employees tend to be more motivated and focused, and more determined to see the company succeed. Keeping them engaged, therefore, should be a top priority for any organization that is serious about its future success.<sup>3</sup> Temkin Group's 2016 Employee Engagement Benchmark Study reports that companies that excel in customer experience have one-and-a-half times as many engaged employees as do customer-experience “laggards”.

Another aspect of creating loyal customers is being there even

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when you are not obliged to. Let's say you order a PlayStation on Amazon, as a Christmas present for your son. It was delivered to your doorstep; your neighbor signed for it, and left it on your front porch. But then it mysteriously vanished. Now you have to fork out a few hundred bucks more and reorder the same PlayStation, right? Well, when this happened to an Amazon customer a few years ago, Amazon sent him a new PlayStation for free- he didn't even have to pay for shipping. The best part? They got it to him in time for Christmas.

Now, imagine you were that Amazon customer. Wouldn't you tell all your friends and family how awesome Amazon is, and how it saved your Christmas? Yup. You might even end up a loyal Amazon customer for life. Amazon gets that, which is why it goes the extra mile for customers (even when it's not strictly necessary). I came across a Forbes interview the other day, and found in these two sentences spoken by Jeff Bezos a perfect summary of why they are so customer-obsessed:

Adding more value to their customers is the simple goal

IT USED TO BE THAT IF YOU MADE  
A CUSTOMER HAPPY, THEY WOULD  
TELL FIVE FRIENDS. NOW, WITH THE  
MEGAPHONE OF THE INTERNET,  
WHETHER ONLINE CUSTOMER RE-  
VIEWS OR SOCIAL MEDIA, THEY CAN  
TELL 5,000 FRIENDS.



# NPS (e)

that is the driving force behind Amazon's sense of urgency and willingness to experiment. According to Bezos, Amazon's customer obsession means the company is always on the lookout for ways to improve the service they give them.<sup>4</sup>

This report will walk you through some real-life examples of companies which successfully implement the notion of the Net Promoter Score and the Employee Net Promoter Score into their corporate strategies and use the two as tools for improving customer service and boosting returns. All these companies can show some great examples of successful integration of customer and employee happiness into their firm's business strategy and how this integration leads to overall corporate wellbeing in the long run. However, we

must note that since information concerning NPS and eNPS scores is limited, because these concepts are quite new, for some firms, with excellent NPS scores, there was no data available on their eNPS and vice versa. Nevertheless, we all learn better from examples. And what better way to learn how to use the NPS and eNPS concepts for your own company than by walking in the shoes of the world's very best companies?

Victoria Dinkova,  
*Author and project manager,*  
*Relationwise*

Jesper Krogh Jorgensen,  
*Co-editor and CEO at CXO*  
**CXO.AS**

<sup>1</sup> <http://www.baselinemag.com/crm/its-all-about-the-customer-at-hilton.html>

<sup>2</sup> <https://www.forbes.com/sites/shephyken/2017/05/27/how-happy-employees-make-happy-customers/#3973550e5c35>

<sup>3</sup> <https://engagethecustomer.com/customer-experience-strategy-employee-engagement-imperative-usaa-case-study/>

<sup>4</sup> <https://www.inc.com/tommy-mello/this-5000-friends-strategy-made-amazon-more-successful-than-any-company-in-world.html>

*Find out more about us at [www.relationwise.com](http://www.relationwise.com)*



Google cares about its  
NPS and eNPS scores, so  
why shouldn't you?



# TESLA



**Industry: Automotive/  
Energy storage**  
**Latest NPS: 96**

Tesla currently holds a satisfaction rating of 96, outscoring every other car manufacturing company in Net Promoter Score® ratings. Tesla has also claimed the top spot in the 2016 Consumer Reports' annual owner satisfaction survey, where 91 percent of Tesla owners stated that they would buy another Tesla vehicle in the future.

As a matter of fact, Tesla doesn't have a huge marketing budget, unlike car manufacturers such as Ford and General Motors. Instead, Tesla relies on its brand advocates and word-of-mouth marketing to sell its cars. Hundreds of Tesla fans line up outside dealerships before the

cars are even officially unveiled- they even have to wait a few years before they can get their dream car. These incredible pre-order numbers grab Tesla even more attention. So what does Tesla do to drive its huge success and inspire such crazy high levels of customer loyalty? These are some of the reasons that retently.com <sup>5</sup> found:

## 1. Establishes an emotional connection with the customer

Tesla fans are crazy advocates for a reason. They attach a deep emotional connection to the brand. One of the easiest ways for a company to make this happen is to stand for something important. In fact, a study by marketing research firm CEB published by the Harvard Business Review, found that loyalty to brands is hard to achieve without one key element- shared values. People become loyal when they share the visions and beliefs the company represents. Tesla passionately promotes its vision that the adoption of electric vehicles will one day solve our planet's energy problems. As a result, people feel good

about driving a Tesla. They don't need to buy gas, AND they're helping the environment. This sort of publicity is earned, not bought.

## 2. Delivers one of the best customer experiences in the auto-industry

Tesla realized something that gave them a huge competitive advantage in the world of customer experience: make the process of owning a Tesla far better than that of owning any other car. As Tesla's VP of Sales, Cristiano Carlutti, puts it:

"In the other companies, customers are customers, basically. They pay, they get a product or a service. In the case of Tesla, the customers are partners."

The process of owning a car has many touch points, from choosing the car to providing regular service and maintenance to keep it running. And while many automotive companies provide great products, Tesla is going above and beyond in order to create a complete user experience. The whole buying and maintenance process is very personal and in some cases unique to the car market: after

5 <https://www.retently.com/blog/tesla-nps/>

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you place your order, you have one week to modify it before the Tesla factory begins implementing your desired settings. The car will then be delivered to you or you can pick it up from the factory and at the same time get a free tour of the works. If there is an issue related to its software, engineers can often update the car remotely. So, they can work on it during the night and have it ready to go the next morning. These are just some of the ways Tesla makes its customers feel special. Tesla is doing more than simply offering a great product, it is also changing the industry's perception of customer experience.

### 3. Takes customer feedback seriously

I personally have never owned a Tesla, but I did once test drive the Tesla Model S. The next day, I received an email from the company asking if I would complete their customer satisfaction survey. I took some time to write it because I knew someone at the other end would actually be interested in reading what I had to say.

Example of Tesla customer satisfaction survey Tesla has been known to respond to customer feedback and has actually implemented some of its customers' ideas. A great example of this occurred when two Tesla drivers submitted an open letter to Musk via a full-page ad in a Palo Alto newspaper. They asked Tesla to make a few changes to its Model S. In response, Musk tweeted a photo of the open letter saying that Tesla would indeed implement some of the suggested changes.

Despite all this, as many readers will know, Tesla has not yet earned any profits. This would usually mean that the high NPS score the company manages to achieve has nothing to do with earning actual profits. In Tesla's case, this statement is false for several reasons. Firstly, Tesla entered the automotive industry (an industry with one of the highest entry barriers in the world!) with the intention of disrupting it and bringing about fundamental change. This makes it much more difficult for Tesla to create profits, as the company must invest a huge amount while just entering the market. Additionally, the company is facing production problems. They have not (yet)

reached the critical mass necessary for the economics of scale to kick in and allow cars to be manufactured cost-effectively—this is a matter of time.

The Costco logo is displayed in a bold, red, sans-serif typeface. The letters are closely spaced, with the 'C's and 'S's having a distinctive, slightly rounded and open design. The logo is centered horizontally on the page.




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**Industry: Consumer  
Brands/Grocery  
Latest NPS: 79**

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Costco Wholesale Corporation is the largest American membership-only warehouse club. The company provides a wide selection of merchandise, and as of 2015, was the second largest retailer in the world after Walmart. Costco is known for offering constantly changing selections of moderately priced, high-quality luxury goods among its inexpensive, regularly stocked bulk goods. As of 2016, the company was the world's No. 1 retailer of choice and prime beef, organic foods, rotisserie chicken, and wine.

Costco is a real-life example of how great customer relationships generate economic benefits. The company boasts an NPS of 79 percent and has grown to 90 million members despite spending frugally on advertising and marketing. The interesting thing is that Costco

doesn't actually make its money selling things. It charges its members an annual fee for the privilege of shopping at its stores, and these fees represent the bulk of Costco's operating profit. In 2014, Costco generated an operating profit of \$3.22 billion. Of this amount, \$2.43 billion came from membership fees of loyal, satisfied customers.

The interesting thing is that Costco doesn't actually make its moneyselling things. It charges its members an annual fee for the privilege of shopping at its stores.

This leads to an extremely stable base of members, with retention rates in excess of 85 percent. It's no surprise, then, that Costco's profitability has been so consistent over the years.

While many retailers spend

huge sums of money on marketing, attempting to drive customers to their stores, Costco spends essentially nothing. The company's success relies almost entirely on word of mouth. For example, regular grocery stores would send out a weekly flyer with an amazing sale splashed across the front page- something like "\$1 per pound of blueberries!"- to entice shoppers to visit the store. Costco, however, doesn't send out weekly flyers at all. Instead, they use word-of-mouth advertising and are able to simultaneously save money on marketing and keep the same low-cost-seekers week after week.

So what is behind the company's successful business structure? From the very beginning, Costco's managers have looked at things from the clients' point of view, developing a culture that ensures a good experience by offering such things as a generous return policy on top-quality products, passing on to customers the savings made by purchasing these products at wholesale, spurning the use of misleading advertising, and offering employees decent wages and attractive benefits.<sup>6</sup>

6 <http://mitsloan.mit.edu/newsroom/articles/how-costcos-obsession-with-culture-drove-success/>

# STARBUCKS




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**Industry: Food and  
beverage/Coffee  
retailing**

**Latest NPS: 77**

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Starbucks is a dynamic organization that has attained global significance. The company has stores all over the globe and a big part of Starbucks's success can be attributed to its extraordinary customer and employee relationships. As a major player in the gourmet coffee industry, Starbucks has built its business around a strong corporate culture in which the bottom-line means a lot more than just profit. This view of doing business has guided the company's actions in all aspects of its day-to-day operations- from the acquisition of beans, to selling drinks in the stores. The company was founded in 1971 and, as of 2018, operates

in more than 28,000 locations. Moreover, it currently employs 238,000 people and continues to grow at a fast pace.

Throughout the years, the company has been able to expand successfully and to continually grow demand for its products. The success has largely come from the way the company treats its employees.

'Our employees, who we call partners, are at the heart of the Starbucks Experience. We believe in treating our partners with respect and dignity. Starbucks is committed to doing business responsibly and conducting ourselves in ways that earn the trust and respect of our customers, partners and neighbors.'

Starbucks's commitment to having a satisfied workforce has translated into increased profits and high customer loyalty. Employees are given the ability to make decisions on their own, without strictly depending on the management team. This open-system of communication enables a more relaxed and supportive working atmosphere, which is appreciated both employees and customers. All members of staff, whether full- or part-time, are referred to not as "employees," but rather as "partners."

While most quick-serve restau-

rants have a staff turnover rate of between 150 and 400 percent, Starbucks is at an astounding 65 percent, according to QSR magazine.<sup>7</sup> As a matter of fact, 87 percent of job applicants are also customers, so a bad candidate experience can directly impact your bottom line. This is where Starbucks shines. The company's Glassdoor reviews show that applicants typically have a positive interview experience with the emphasis on personality.

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“OUR EMPLOYEES, WHO WE CALL PARTNERS, ARE AT THE HEART OF THE STARBUCKS EXPERIENCE. WE BELIEVE IN TREATING OUR PARTNERS WITH RESPECT AND DIGNITY. STARBUCKS IS COMMITTED TO DOING BUSINESS RESPONSIBLY AND CONDUCTING OURSELVES IN WAYS THAT EARN THE TRUST AND RESPECT OF OUR CUSTOMERS, PARTNERS AND NEIGHBORS.”



Even the official career website provides interview tips and states, “Be yourself. We want to get to know you.” Starbucks is constantly looking for new perks to offer employees- like pay increases, tuition reimbursement, health coverage and more.<sup>8</sup>

When employees speak, Starbucks listens. When customers speak, employees listen... And, at the end of the day, this way of doing business translates into value creation and higher returns for shareholders. If we compare the productivity of Starbucks’ employees to that of their industry peers, we can see

that for the last five years Starbucks has achieved higher revenue levels per employee, which corresponds to the movement of the company’s share price.<sup>9</sup>

7 <https://www.qsrmagazine.com/outside-insights/escaping-burn-and-churn-employee-treadmill>  
 8 <https://finance.yahoo.com/news/starbucks-productivity-revenue-per-employee-003248140.html>  
 9 <http://markets.businessinsider.com/stocks/sbux-stock>

# USAA



**Industry: Financial  
Services/Banking  
Latest NPS: 75**

USAA is an insurance holding company that was started by military veterans unable to get insurance from traditional carriers. They have been one of the top-performing companies in the NPS rankings for the past decade.

They were able to achieve such huge success essentially through a strategy of customer centricity. What does customer -centricity look like at USAA and how do they achieve it? It starts with a very active program to inspire empathy on the part of its employees, in particular, towards the most stressed-out subset of its customers- called “members,” in USAA lingo.<sup>10</sup> As USAA’s customer base is made up, in large part,

of military, retired military, and their families, the most stressed are likely to be currently -deployed servicemen and servicewomen, and their families back home.

As the company  
puts it, its mission  
is “to create a  
more connected  
world”.

“Customer experience is our main priority; the service we provide to our members is the foundation USAA was built on,” the brand says. “We are focused on knowing our members and fully understanding their individual needs, so we can effectively provide appropriate and customized solutions to protect and enhance their financial security... Our employees are personally committed to delivering excellent service and great guidance. That exceptional service builds loyalty and trust over the long term”.

Their three business groups: insurance, banking and credit cards

all scored in the top 10 in a recent NPS Rankings. The company is holistically focused on the needs of the customer- both the current needs and anticipating the future needs. They drive innovation via their Innovation Community for Enterprise, which encourages employees to submit ideas to improve the company. Last year, 94 percent of the employees submitted over 10,000 ideas and a record-breaking 1,206 initiatives were launched. USAA revenue for 2016 was \$27 billion, a 42 percent increase over the past five years.<sup>11</sup>

10 <https://www.forbes.com/sites/micahsolomon/2015/08/13/crushing-it-via-customer-centricity-not-geckos-and-flying-pigs-the-usaa-model/#5ef9eb547a8f>  
11 <https://www.bookingbug.com/blog/3-companies-achieving-success-using-the-concept-of-net-promoter-score/>

AIRBNB




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**Industry: Lodging/  
Tourism**  
**Latest NPS: 74**

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What initially began as two roommates unable to come up with the funds for their rent, unraveled into something much greater than they could have ever imagined. Founded in August of 2008 in San Francisco, California, Airbnb is home to 5,000 employees across the world with more than 25 million users globally. With 190 countries, and 34,000 cities under its belt, Airbnb is proud on being a renowned and trusted community marketplace where users can book unique accommodation around the world.<sup>12</sup>

Airbnb became profitable in the second half of 2016. The company is on pace to sustain profitability by blowing away its own internal

forecasts and bringing in a \$93 million profit on \$2.6 billion in revenue, in 2017.<sup>13</sup> Before 2016, Airbnb wasn't yet profitable mainly due to the cost of their aggressive strategies involving overseas expansion and customer acquisition. The company incurred a significant operating loss at \$150 million in 2015. As Airbnb expanded into more countries and increased their mind-share to make it a mainstay in temporary accommodation for either leisure or business trips- initially, it meant making a loss.<sup>14</sup> But in the long run, it obviously paid off since its valuation as of 2018 is a huge \$38 billion.<sup>15</sup>

Customer experience is our main priority; the service we provide to our members is the foundation USAA was built.

Airbnb has succeeded in developing a culture of belonging where people naturally thrive, grow and produce.

In Glassdoor's well-regarded ranking of the best workplaces in 2016, based on anonymous employee reviews, Airbnb was rated #1. Airbnb's momentum is the result of a cleverly thought-out mission and strategy, of which the employees and the workplace are the starting point. Airbnb has succeeded in developing a culture of belonging where people naturally thrive, grow and produce. For Airbnb, building a welcoming and inclusive culture is not something that is isolated to a single project or program. Facilitating belonging is part of the entire employee journey, incorporated in everything from recruiting and onboarding

“YOU DON’T SEE THE MISSION AND VALUES ON THE WALL. INSTEAD, YOU FEEL IT WHEN YOU WALK THROUGH THE DOOR AND YOU SEE IT IN THE WAY THAT PEOPLE BEHAVE WITH ONE ANOTHER, AND WITH ANYONE WHO COMES INTO CONTACT WITH US. BEING A HOST IS ONE OF OUR MOST IMPORTANT VALUES, AND IT IS HOW WE BEHAVE BOTH WITH ONE ANOTHER, AND EVERYONE ELSE.”



to citizenship, physical facilities and food.<sup>16</sup> Employees are also informed about employee birth-days and anniversaries through the intranet. Moreover, every employee can access his or her own webpage, which is meant to facilitate internal networking. The company makes an effort to bring people together across geographies, whether online or through face-to-face meetings.

Beyond welcoming people, the Airbnb culture is driven by an inspiring mission that extends ‘beyond us’ and they have succeeded in implementing it. As the company puts it, its mission is “to

create a more connected world”.

“You don’t see the mission and values on the wall. Instead, you feel it when you walk through the door and you see it in the way that people behave with one another, and with anyone who comes into contact with us. Being a host is one of our most important values, and it is how we behave both with one another, and everyone else.”

Mark Levy, Head of Employee Experience for Airbnb

<sup>12</sup> <https://smbp.uwaterloo.ca/2015/02/airbnb-is-more-than-just-a-company-its-a-family/>

<sup>13</sup> <https://www.businessinsider.com/airbnb-profit-revenue-2018-2>

<sup>14</sup> <https://www.quora.com/How-profitable-if-at-all-is-Airbnb>

<sup>15</sup> <https://www.forbes.com/sites/greatspeculations/2018/05/11/as-a-rare-profitable-unicorn-airbnb-appears-to-be-worth-at-least-38-billion/#469771b42741>

<sup>16</sup> <https://www.linkedin.com/pulse/how-airbnb-became-worlds-best-place-work-roar-v-bovim/>

APPLE




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**Industry: Consumer Electronics**  
**Latest NPS: 72**

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Apple is one of the most well-known retailers of innovative technology, from personal computers to handheld devices such as tablets and mobiles. It is the third largest maker of PCs in the US, and since 2001 has had a much higher focus upon retail and customers than its competitors. The customer relationship is now an essential part of Apple's growth strategy and is almost as much of a brand feature as the iPad or iPhone.<sup>17</sup>

The company has a legendary focus on the customer experience. Every customer touchpoint (products, the website, ads, app store, and retail store) yields a consistent Apple experience. Over the last

The company has a legendary focus on the customer experience. Every customer touchpoint (products, the website, ads, app store, and retail store) yields a consistent Apple experience.

10 years, Apple has aggressively expanded the areas where the Apple experience is part of daily life. By encouraging app builders but rigidly enforcing standards, Apple ensures that the universe of Apple-mediated behaviors continually expands. By innovating product form factor and function from computing in either your pocket or on your wrist, to paying for all your purchases, to opening your

hotel room, to controlling all of your home electronics, to reminding you of your calorie count or parking spot... all of these experiences are connected, integrated, and packaged in a singular accessible ecosystem of complementary products. Additionally, Apple has focused on innovation beyond the core by creating the infrastructure to enable this ecosystem in a secure and seamless fashion (think Apple Pay secure payments or biometric facial recognition on the iPhone X). The most tangible example, of course, is in Apple stores. Apple overturned conventional retailing wisdom when it created its stores, putting experience before "selling." It's continued building on that success by further removing "store" from its retail branding because it sees its stores as so much more.<sup>18</sup>

Another part of Apple's customer engagement strategy is that the company always tries to empower customers who "think differently"—seeking to inspire customers to do things in unique and creative ways. However, as its products have become more ubiquitous, Apple has had to work harder to maintain that focus. For students, artists, and entrepreneurs, Apple has sought to build community and bring more customers into the fold. Currently

<sup>17</sup> <https://www.expertmarket.co.uk/crm-systems/apple-crm-case-study>

<sup>18</sup> <https://www.forbes.com/sites/christinemooman/2018/01/12/why-apple-is-still-a-great-marketer-and-what-you-can-learn/#5f843a0215bd>

Another part of Apple's customer engagement strategy is that the company always tries to empower customers who "think differently"—seeking to inspire customers to do things in unique and creative ways.

Apple offers youth programs, such as free classes for children learning to code, to capture the imaginations of future consumers. Apple is also turning its retail locations into "town square". At select venues, the company is building "The

Plaza"—an area which is open 24-hours a day with free Wi-Fi, public seating, and weekend concerts. Another feature is "The Forum"—an area surrounded by a 6K Video Wall and "Today at Apple," a program that brings talented artists, photographers, musicians, and other visionaries together to further ideate on their passions. According to Angela Ahrendts, VP of Retail, "We are renewing our focus on liberal arts—humanizing technology through experiences that educate and entertain visitors and empower entrepreneurs."

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EMPOWER ENTREPRENEURS.

NETFLIX

# NETFLIX

**Industry: Media/  
Entertainment**  
**Latest NPS: 68**

Netflix is one of the world's leading online streaming video business. Getting subscribers is easy, but getting 80 percent of your customers loyal is a challenge. How is Netflix able to do it?

According to Recode, a study by research firm Second Measure revealed that subscribers of other online streaming companies such as HBO Now and Hulu also have Netflix subscriptions, while 80 percent of Netflix users only pay for Netflix. Also included in the study are DirecTV Now, CBS All Access and SlingTV.<sup>19</sup> Netflix is one of the pioneers of the industry and changed its landscape forever. This means that, compared to its peers, Netflix had the advantage of establishing its brand and relationship with customers even before Hulu or HBO Now were launched. Starting early is a fair advantage any company will get for its innovation and courage.

However, is not only about “being one of the first” players that drives Netflix’s remarkable success.

What distinguishes Netflix is that the company pays a lot of attention to knowing its customers better- their needs, personalities and habits.

What distinguishes Netflix is that the company pays a lot of attention to knowing its customers better- their needs, personality and habits.

The wider audience base of Netflix includes both genders in the age-group 17-60 and families with earnings of \$30,000 and above. Based on this, Netflix has grouped its target customers into three main segments:

1. People with extremely hectic schedules and barely any time to watch movies in theatres
2. Regular cinemagoers
3. Individuals who want the maximum incentive for their cash

Therefore, if you are keen on creating a customer-obsessed company similar to Netflix’s business model, master the techniques of customer segmentation and walk the path in your customers’ shoes!

Another thing that makes Netflix different from the rest is that the company tailors its services as carefully as possible. Netflix provides its customers with legal access to a pool of motion pictures. The separating variable of the Netflix Business model is that it includes a set of best-customized proposal algorithms and a uniform administration without the intervention of ads. It is also highly compatible with all available devices including desktops, mobiles and TVs. A unique feature of the Netflix business model is

<sup>19</sup> <https://born2invest.com/articles/netflix-subscribers-customer-retention/>

<sup>20</sup> <http://customerthink.com/how-can-we-build-a-customer-centric-company-like-netflix-in-the-digital-world/>



that it brings its customers new series in the form of full seasons instead of releasing them one episode at a time. This is an ideal value proposition for any company aiming to emulate Netflix's business model.<sup>20</sup>

Another aspect of the Netflix legacy in terms of disruption and customer centricity is they were not born as an online film streaming company, but rather as a traditional rental company with a unique pricing and distribution model. Netflix used a flat-rate pricing scheme and distributed their rental DVDs through retail channels instead

of through expensive high-street outlets like Blockbuster. The online distribution just came in handy to further accentuate their uniqueness.

Finally, one of the really "ground-breaking customer-centric capabilities" of Netflix is that the themes, plots and characters of some of their successful self-produced movies are based on data mined from their viewers' preferences.

ANOTHER PART NETFLIX'S LEGACY  
REGARDING DISRUPTION AND  
CUSTOMER CENTRICITY IS THEY  
WERE NOT BORN AS AN ONLINE  
FILM STREAMING COMPANY, BUT AS  
A TRADITIONAL RENTAL COMPANY  
WITH A UNIQUE PRICING AND  
DISTRIBUTION MODEL.

# SAMSUNG

# SAMSUNG

**Industry: Consumer  
Brands/Electronics  
Latest NPS: 67**

Samsung Group is a South Korean multinational conglomerate headquartered in Samsung Town, Seoul. It comprises numerous affiliated businesses, most of them united under the Samsung brand, and is the largest South Korean chaebol (family-owned business).

Samsung was founded by Lee Byung-chul in 1938 as a trading company. Over the next three decades, the group diversified into areas including food processing, textiles, insurance, securities and retail. Samsung entered the electronics industry in the late 1960s and the construction and shipbuilding industries in the mid-1970s; these areas would drive its subsequent growth. Since 1990, Samsung has increasingly globalized its activities and products- in particular, its mobile phones and semiconductors, which have become the company's most important sources of income.

LinkedIn Today recently announced that Samsung had ranked among its Top Companies list across the U.S. The list was cultivated using data from LinkedIn across three main categories: Interest in a company's jobs, interest in a company's brand and employees, and employee retention.

Samsung was recognized for being an international powerhouse and one of the most profitable companies in technology today, with success centered on a culture of fast decision-making and innovative products. Employees at some of Samsung's various locations participate in companywide Days of Service, a Volunteer Time Off Program, and an Employee Giving Match Program. Employees are not only passionate about creating a better future for people, but also bringing about positive change in the communities they live and work in. From corporate social responsibility initiatives to diversity & inclusion programs, Samsung employees focus on giving back and increasing team dynamics.<sup>21</sup>

"I am both honored and humbled that Samsung was chosen to be part of LinkedIn's Top Companies list. This recognition is a testament to

Samsung remains committed to continually increasing employee engagement and satisfaction, which allows us to continuously drive innovation.

the talented, passionate people behind our brand. Our employees are proud of the many ways in which they contribute to our business, and are equally passionate about the products we create as they are about giving back and engaging with communities across the United States," said Tim Baxter, President & CEO of Samsung Electronics North America.

"Samsung remains committed to continually increasing employee engagement and satisfaction, which allows us to continuously drive innovation."

21 <https://news.samsung.com/us/samsung-recognized-linkedin-top-companies-2018/>

SOUTHWEST




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**Industry: Travel and  
Hospitality/Airlines**  
**Latest NPS: 62**

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Southwest Airlines Co. is a major U.S. airline, the world's largest low-cost carrier, headquartered in Dallas, Texas. The airline was established in 1967 by Herb Kelleher as Air Southwest and then adopted its current name, Southwest Airlines, in 1971 when it began operating as an intrastate airline wholly within the state of Texas. The airline had more than 53,000 employees as of 2018 and operates more than 4,000 departures a day during peak travel season. As of December 2016, Southwest Airlines had scheduled services to 101 destinations in the United States and eight additional countries. Service to both Grand Cayman and Cincinnati began June 4, 2017.

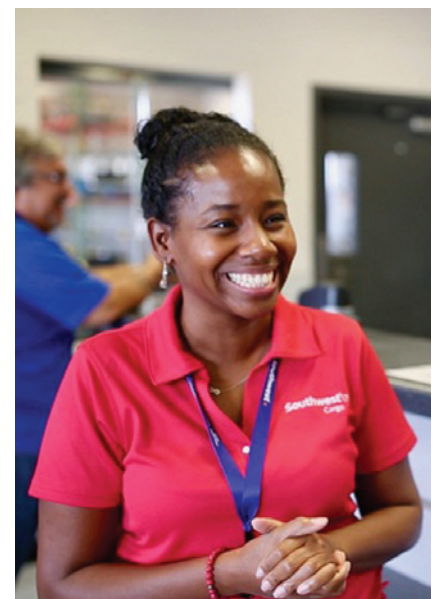
Southwest Airlines has built its impressive brand around being different from the rest, offering a personable and friendly

service to customers during even the most difficult times.

"In the airline industry, there are so many things that could go wrong- or so many things that could go well- during a travel experience. When [our employees] are helping a customer, they look at how they can make things right, and make it a win for the company." - Rob Hahn, customer-relations business consultant at Southwest Airlines

We believe that if  
we treat our employees right, they  
will treat our customers right, and in  
turn that results in  
increased business and profits  
that make everyone  
happy.

Southwest Airlines values employees; it initiated the first profit-sharing plan in the U.S. airline industry in 1974 and has been offering it ever since. "In 2000, Southwest offered its employees a record-setting \$138M in profit sharing. This tax-deferred compensation represented an additional 14.1 percent of each employee's annual salary. Southwest Airlines offers no frills, but when it comes to service, it certainly meets customer expectations. They base their model on the motto "If they [employees] are happy, satisfied, dedicated, and energetic, they will take really good care of the customers. When the customers are happy, they come back. And that makes the shareholders happy." Southwest





has very good relations with all its employees. Employees are either members of independent unions or have flexible contracts that allow them to work longer hours. The 44-year-old airline is known for its friendly (and often witty) flight attendants, as well as its top-notch customer service. This stems from its employees-first mantra, which plays out in a trickle-down effect.<sup>22</sup>

In order of importance, Southwest ranks employees first, customers second, and shareholders third. “We believe that if we treat our employees right, they will treat our cus-

tomers right, and in turn that results in increased business and profits that make everyone happy,” the airline explains in a blog post about its company culture.

IN THE AIRLINE INDUSTRY, THERE ARE SO MANY THINGS THAT COULD GO WRONG — OR SO MANY THINGS THAT COULD GO WELL — DURING A TRAVEL EXPERIENCE. WHEN [OUR EMPLOYEES] ARE HELPING A CUSTOMER, THEY LOOK AT HOW THEY CAN MAKE THINGS RIGHT, AND MAKE IT A WIN FOR THE COMPANY.

# EUROFINS




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**Industry: Laboratory testing**  
**Latest NPS: 58**

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Eurofins Scientific is an international life sciences company which provides a unique range of analytical testing services to clients across multiple industries. The Group believes it is the world leader in food, environment and pharmaceutical products testing and in agrosience CRO services.

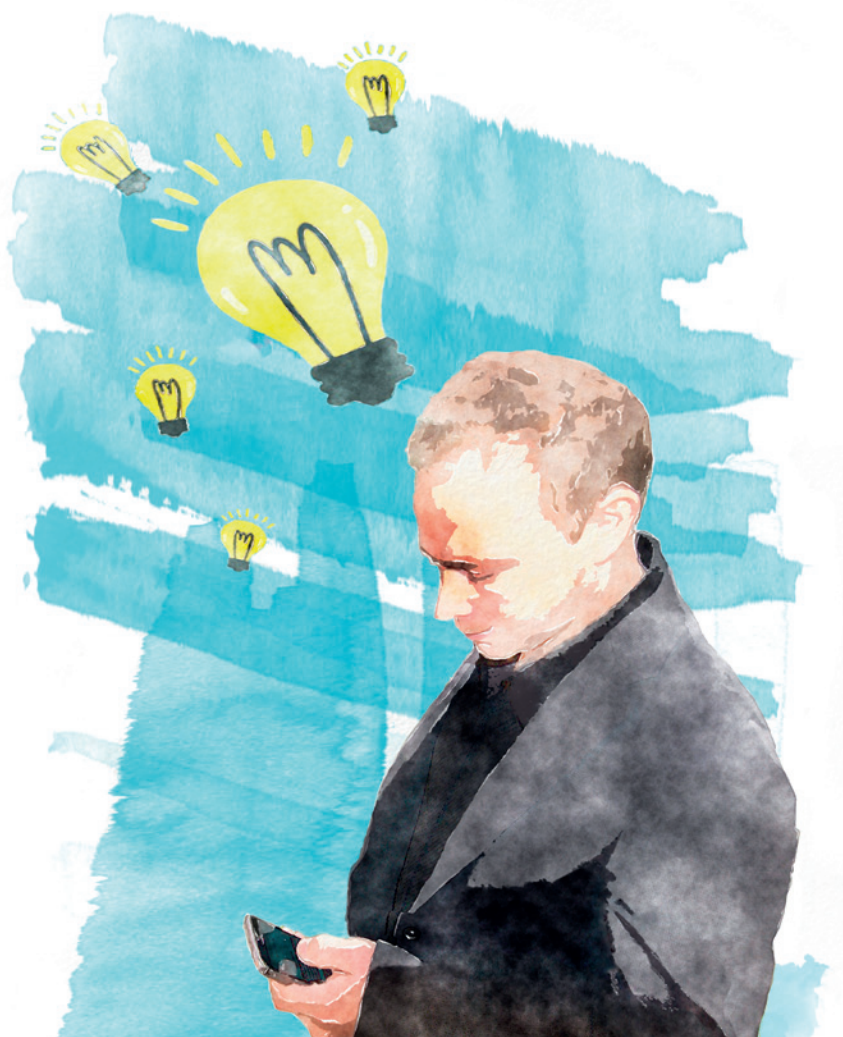
Considering that the Pharma testing industry has an average NPS of 28<sup>1</sup>, Eurofins companies has managed to outperform it substantially. Eurofins is one of the global independent market leaders in certain testing and laboratory services for genomics, discovery pharmacology, forensics, advanced material sciences and for supporting clinical studies. In addition, Eurofins is one of the key emerging players in specialty clinical diagnostic testing in Europe and the USA.

The book 'Love Brand' written

by J. Christian Andersen with a foreword by Kenn Jorgensen, head of sales of Eurofins' branch in Denmark (Eurofins Product Testing), reveals that the company's success has a lot to do with keeping the NPS score high.

'The services we deliver to our customers are technical consultancy and the biochemical testing of products such as building materials, food packaging, cosmetics, etc.' - says Kenn Jorgensen.

- 'With our service as an input, we deliver value for the customer as an output. In our company, we are very focused on that value output - we use it in our daily customer dialogues and in the way we present our company. The value output for our customers is: fast market access, product differentiation, reduced costs and minimized risks. In our daily quest for excellence, we use the Relationwise Customer



NOW IT IS SOMETHING OUR  
EMPLOYEES TALK ABOUT AND  
THEY TELL EACH OTHER WHEN  
THEY GET A SCORE OF 10.

Loyalty (NPS) program as a marker of our service level. It is very important for us that we don't let ourselves drown in a flood of useless KPI metrics that are not related to our value proposition. NPS is the best indicator we can get of how our organization is performing in terms of customer service and quality, because it allows our own customers to rate us and explain to us how we can improve our service – and not just once per year, but every time we do business. This way we ensure that we live up to our high standards, but also solve any issues there may be.'

'We ask our customers the magic NPS question exactly seven days after we have invoiced them.' - Kenn continues, - 'By doing this, we give them the opportunity to score us on the whole process from start to finish, including invoicing and payment. Our customer feedback is distributed to the sales reps responsible for the customers and to the people involved in testing and consulting in the labs. Thus, enabling everyone to keep track of the feedback from the customers they've worked with. It gives us a boost to receive feedback from people we have worked with over a period of time.'

'Now it is something our em-

ployees talk about and they tell each other when they get a score of 10'

We have used Net Promoter Score® for five years now, and to begin with people were sceptical of it as a tool. A few employees thought this was a way of bothering our customers with unnecessary emails, and perhaps a few employees did not like the fact that the system was sending out emails on their behalf. Then, as our employees started getting feedback on their work, they be-

In our company,  
we are very  
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customer dialogues  
and in the way we  
present our  
company.

gan to acknowledge its value and accept it as a tool in the organization. Now it is something our employees talk about, and they tell each other when they get a score of 10. Since we have been using NPS® for some years now, we have collected quite a lot of data. It is interesting to see the feedback history from customers that have rated us on a number of occasions. In many cases we can see that we have improved our performance towards these customers, and today, we also realize that these customers are still here. It is a fact that there is a direct positive relationship between loyalty and retention. Happy customers are loyal, loyal customers stay. In Eurofins Product Testing Denmark we are aware of keeping our customers happy and thereby loyal - it is implemented into our daily routines, so our quest for improving customer loyalty will never stop.



Your employees may be a customer's first point of interaction with your brand. That first impression matters: a negative, confusing, or even mediocre first encounter can send a prospect to your competitor for good. When an employee is a true brand advocate, the customer experience improves, leading to repeat purchases, word-of-mouth recommendations, and continued online engagement through social channels and apps.<sup>1</sup>

THE STORY IS TOLD OF A WORKMAN WHO,  
WHEN HE FIRST CAME INTO JOHN DEERE'S EM-  
PLOY, RENTED A HOUSE BELONGING TO JOHN  
DEERE. LATER, HE BOUGHT A HOUSE ELSE-  
WHERE ON A VERY SMALL DOWN-PAYMENT.  
IT WAS A HEAVY LOAD FOR HIM TO CARRY.  
MR. DEERE REALIZED HOW HEAVY; AND HE  
WAS DEEPLY INTERESTED. OFTEN IN PASSING  
THROUGH THE SHOP, HE WOULD STOP FOR A  
CHAT WITH THE MAN; AND ALMOST ALWAYS BE-  
FORE LEAVING HE WOULD SAY:

“HAVE YOU GOT THAT HOUSE PAID FOR YET, DICK?”

AND ONCE, AS IF HE COULD NO LONGER

RESTRAIN HIMSELF, HE LEANED OVER

AND WHISPERED:

“DICK, IF YOU DO NEED ANY HELP ON THAT

HOUSE, DON'T FAIL TO LET ME KNOW.”<sup>2</sup>

John Deere



# Denmark's Most Recommended Company

In 2017, Alm. Brand Bank has gained the title of being Denmark's most recommended out of 100 registered companies.

In 2017, Alm. Brand Bank Group received the Relationship-wise "Denmark's Most Recommended Company Award" (DMAV) for being top of the list of Denmark's 100 most recommended registered companies. The award vindicated the Group's long-term efforts to become the country's most customer-focused financial company. The award ceremony, which took place at Mogens Dahl Concert Hall in Copenhagen, was part of a conference for companies that work with

customer and employee care—measured at NPS (Net Promoter Score). NPS measures the extent to which customers and employees will recommend the company to others.

Alm. Brand Bank had an NPS of 64 with an employee NPS (eNPS) of 81. These results are indeed remarkable—not only in the finance industry, but in any industry.

## Happy customers as strategic goal

According to Alm. Brand's CEO, Rasmus Lynge, the strong NPS and eNPS results acknowledge the hard work that Alm. Brand had put in for several years in order to attract and retain its customers and make them happy and loyal.

"We are very proud to receive the prize among such a wide range of companies. For more than five years, we have worked strategically to increase employee satisfaction and customer loyalty. We believe there is a direct link between happy employees and loyal customers," Lynge said.

Alm. Brand Group has both customer satisfaction and job satisfaction as two of its five most important strategic goals.

# HUBSPOT




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**Industry: Software**

**Latest NPS: 92**

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Founded in 2006, this multi-million-dollar inbound marketing enterprise has enjoyed exponential growth over the last decade, fueled by the strength of a thriving corporate culture focused on self-improvement, transparency and employee wellness.

When Brian Halligan and Dharmesh Shah established their small digital start-up 10 years ago, they made it their priority to create the kind of company that they would love to work for—one that promoted an authentic culture of happiness by empowering its employees to work towards collaborative success.

Today, employee engagement remains a top strategic priority for HubSpot, treated not merely as a “nice-to-have,” but rather as a fundamental driver of business success. Here, fun is a serious matter, with each cultural initiative attached to its own set of associated KPIs and success met-

rics, which enable the company to constantly improve and understand the impact that internal engagement has on the broader business bottom line. The results of this intensive approach to employee engagement speak for themselves. With offices across the world, a growth rate of over 50%, and an employee base in excess of 600, HubSpot is moving extremely fast.

## Today, employee engagement remains a top strategic priority for Hubspot.

So how can you go about replicating this winning formula?

Here are 4 key tips to get you started: <sup>3</sup>

### EMBRACE CHANGE

How does HubSpot keep company politics to a minimum, promote a culture of adaptability, and inspire its employees to improve all at the same time?

It's quite simple: make employees swap desks every three months. While this might seem unnecessarily quirky or even disruptive, it is, in fact, a very effective way of encouraging company-wide interaction and promoting understanding of the business across the ranks.

### INVEST IN PEOPLE

HubSpot places great value on advancing and upskilling its employees, treating every individual as a long-term business investment. All employees receive a \$5,000 yearly allowance to put towards certified educational courses, and are afforded access to in-house leadership training, personality development courses, mentoring programs, as well as to conferences offering valuable insights into the marketplace. And whilst it might seem like a risk to invest so significantly in employees when they could just as easily take their newly acquired skills elsewhere, HubSpot believes that an empowered, educated workforce is not only well worth the investment, but also far less likely to seek out greener pastures.

3 <https://engageme.online/culture-code-four-employee-engagement-lessons-from-hubspot/>

## ESTABLISH PURPOSE

HubSpot realized very early on that there would be no employees to create a culture for—or even a business at all—without their customers. That’s why they created their SFTC (Solve for the customer) motto, and tasked employees to do everything with the customers in mind. The lesson? When people are driven by a clear purpose and an achievable goal, they have a reason to be committed to working towards success for themselves and, ultimately, your business.

## PRESERVE POSITIVE WORK-LIFE BALANCE

As the lines between work and play become ever blurrier, HubSpot is going to great lengths to ensure that its employees live a balanced, healthy life, irrespective of time or place. The company’s headquarters are more health spa than office space, home to a wealth of nutritious snacks, exercise classes, standing desks and even napping sessions. And for employees less inclined to indulge in the joys of HubSpot HQ, working from home is a perfectly acceptable

alternative. Ultimately, HubSpot believes that any employee performs best in an environment in which they feel comfortable and creative, and encourages all staff members to find their “happy place”—both for their own and the company’s benefit.

Today, employee engagement remains a top strategic priority for Hubspot.

HUBSPOT PLACES GREAT VALUE ON  
ADVANCING AND UPSKILLING ITS  
EMPLOYEES, TREATING EACH AND  
EVERY INDIVIDUAL AS A LONG-TERM  
BUSINESS INVESTMENT.

SENDGRID




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**Industry: IT Services**  
**Latest eNPS: 83**

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Founded in 2009, after graduating from the TechStars program, SendGrid developed an industry-disrupting, cloud-based email service to solve the challenges of reliably delivering emails on behalf of growing companies. Like many great solutions, SendGrid was born from the frustration of three engineers whose application emails didn't get delivered, so they built an app for email deliverability. Today, SendGrid is responsible for sending billions of emails for some of the best and brightest companies in the world.<sup>4</sup>

On its corporate blog, the company often posts articles focused on customer engagement. However, SendGrid is also obsessed with another type of engagement—the engagement of each and every employee, affectionately called, “Gridders.”<sup>5</sup> The company has been measur-

ing and improving employee engagement strategies since 2014. The last engagement check-in revealed an 11% point increase in engagement in 6 months, outperforming the firm's goal and placing us on par with the top 10% of companies in Culture Amp's New Tech Benchmark.

## The backbone of SendGrid's corporate culture is defined by their 4Hs: Happy, Hungry, Humble and Honest.

The backbone of SendGrid's corporate culture is defined by their 4Hs: Happy, Hungry, Humble and Honest. Honest stands for transparency and welcome feedback freely. Staying true to this value, the company have a thorough process of gathering employee feedback in a consistent way through surveys, focus groups, and team en-

gagement reviews. This ensures access to accurate data on engagement scores and employees have an avenue to collectively share feedback with their leadership team.

Once the survey is closed, all employees get full access to the quantitative data, with the ability to view company scores, team scores, and assess variances over time. This level of transparency arms SendGrid's employees with the results so that they can drive improvements within their teams.

<sup>4</sup> <https://sendgrid.com/about/>

<sup>5</sup> <https://sendgrid.com/blog/employee-engagement-the-4h-way/>

# SHOPIFY




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**Industry: E-commerce**  
**Latest NPS: 80**

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Canadian success story, Shopify, isn't quite a household name yet, but it likely will be. Over the past ten years, the organization has grown from a start-up created by a couple of friends wanting to sell snowboarding equipment online to a global operation that hosts more than 370,000 merchants doing over \$29 billion in sales. Much in the same way that WordPress made it easy to set up a website, the e-commerce platform enables anyone to set up an online store.

Named 2017's Number One Best, Place to Work in Canada by Glassdoor <sup>6</sup>, Shopify is well-known for its high employee engagement. Numerous articles have been written about their unique culture. Shopify's employees are given autonomy to do their own projects and are trusted to make sound decisions and manage their own work-

load. Shopify's Hackdays are a great example of how work gets accomplished both productively and collaboratively. Every four months, the company sets aside two days where employees can pursue any project of their choice, as long as it's company related. Many Hackday projects have become core features of

We believe that wellness plays a huge part in doing a great job. When we offer breakfasts, lunches and snacks, it's not just about the perk itself. It's about making sure people stay healthy.

the Shopify product, others have become internal tools to increase productivity or communication, and facilitate company culture. These types of initiatives help align employees with business objectives and inspire them to be fully involved in their work.<sup>7</sup>

Another thing Shopify takes very seriously and truly believes in is that workers are more productive when they are healthy. They offer to pay for your gym membership in full and give you a \$250 allowance for health-promoting equipment and activities, like a new bike or yoga classes—you can even work at a stand-up desk!

We believe that wellness plays a huge part in doing a great job. When we offer breakfasts, lunches and snacks, it's not just about the perk itself. It's about making sure people stay healthy.

Daniel Weinand  
 (CCO, Shopify)<sup>8</sup>

<sup>6</sup> <https://yourworkplace.ca/shopify/>

<sup>7</sup> <https://www.achievers.com/blog/2014/03/voluntary-turnover-unimaginable-shopify/>

<sup>8</sup> <https://www.officevibe.com/blog/shopify-company-culture>

# COSTCO



## Industry: Retail/ Discount Stores Latest eNPS: 76

Costco is widely-known for paying its employees high wages. In America, a Costco worker earns, on average, about \$21 per hour and receives health benefit and ample vacation time. As illogical as it sounds, Costco's high employee wages are part of its cost-savings plan. With employees earning a decent wage, they are more productive and less likely to quit.

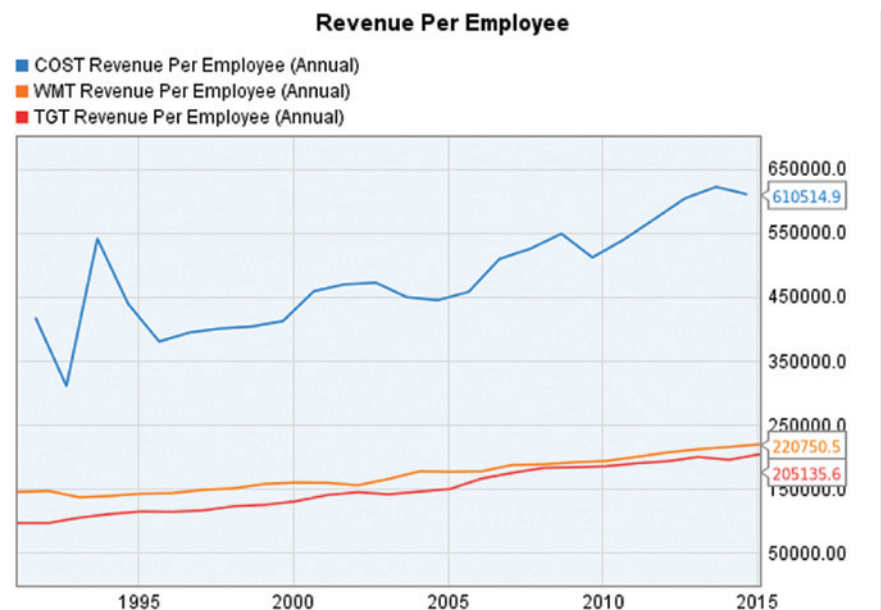
"No one was going to be able to say we're making money off the backs of our employees, because we were going to pay the highest wages in all of retail," said James Sinegal, the founder of Costco. "Seventy cents of every dollar spent by Costco goes to employee wages and the company has a 7 percent turnover rate, compared to 60 to 70 percent at other retailers."<sup>9</sup>

The average Costco employee generates nearly triple the revenue generated by the average

Wal-Mart and Target employee. This is partly because of Costco's business model. Its Spartan warehouses require far fewer employees to run them than those of the big-box stores. But what keeps customers coming back, and what keeps members renewing their memberships, are the consistently good experiences. With highly paid, happy employees, Costco is able to better deliver on this than traditional retailers like Wal-Mart. Employee turnover is a huge cost of business. Between being short-staffed and the associated costs of finding and training new employees, it can cost a company between 40 and 150 percent of an employee's annual

With highly paid, happy employees, Costco is able to better deliver on this than traditional retailers like Wal-Mart.

salary to find a replacement. By removing some of the incentives a person would have to quit their job, Costco is able to reduce employee turnover and save money.<sup>10</sup>



Apr 08 2015, 3:10PM EDT. Powered by **YCHARTS**

<sup>9</sup> <http://mitsloan.mit.edu/newsroom/articles/how-costcos-obsession-with-culture-drove-success/>

<sup>10</sup> <https://www.investopedia.com/stock-analysis/040915/3-reasons-costco-great-company-cost.aspx>

ZILLOW



**Industry: Real Estate**

**Latest eNPS: 65**

Zillow, the online real estate site, launched in 2005 with the goal of giving consumers a better way to buy and sell real estate via data access. At the same time, its co-founders wanted to create a successful, empowering workplace culture, especially one that didn't burn people out. Today, Zillow Group employs more than 3,000 people and regularly posts quarterly revenue results in the hundreds of millions of dollars.

The company's CEO, Spencer Rascoff, is the first to say that he considers HR to be "the most important function of the company." This, admits Zillow Group VP of People Dan Spaulding with a laugh, makes his job both easier and harder. While he has his CEO's complete buy-in, he also knows that his department will be held to a higher standard and closer level of scrutiny than most. Still, it's proved to be a tremendous asset

The company's CEO Spencer Rascoff is the first to say that he considers HR to be "the most important function of the company." This, admits Zillow Group VP of People Dan Spaulding with a laugh, makes his job both easier.

to have a CEO as engaged as Rascoff is. In many ways, Zillow Group is a perfect case study of what it looks like when a great HR department and an invested executive team collaborate to ensure that their company

is a great place to work. The results? Zillow has an impressive company rating of 4.2, has made Glassdoor's Best Places to Work list on four different occasions, and, most recently, Rascoff was named in the list of the 100 Highest Rated CEOs for the third time.<sup>11</sup> Here are some valuable tips from Zillow's CEO concerning the importance of employee engagement:<sup>12</sup>

Zillow has an impressive company rating of 4.2.

<sup>11</sup> <https://www.investopedia.com/articles/investing/070715/costco-business-model-smarter-you-think.asp>

<sup>12</sup> <https://www.hrdiver.com/news/how-zillows-culture-has-proven-to-be-a-key-success-factor/426766/>

<sup>13</sup> <https://www.glassdoor.com/employers/blog/how-zillows-ceo-and-chro-partner-for-off-the-charts-employee-engagement/>

1

**Set a clear vision.**

This helps empower employees so they know the company's mission, direction, and how to solve problems.

2

**Serve your employees, not vice versa.**

If managers are focused on helping their direct reports succeed instead of always telling them what to do, the entire organization will be set up for long-term success.

3

**Hire people who are better than you, and help them become superstars.**

Never be afraid of being outshined by someone on your team, especially a subordinate.

4

**Find ways to keep the company growing and dynamic.**

Great people want advancement and increased responsibility, but not by cannibalizing the jobs of their co-workers. And never take credit for other people's work.

5

**Create a company culture that rewards innovation, rather than success.**

If you focus on rewarding success, people won't take risks for fear of failing. Failure is proof that you're trying. If you're not failing, you're not trying hard enough.

6

Value efficiency over face time.

If you're still at your desk at 10 p.m., you probably weren't very efficient during the day. On a personal note, I turn off my phone on Saturdays and I usually don't work on vacation. That doesn't mean I'm not thinking about work—I do that all the time. But I do it quietly, and away from the constant pinging of e-mail.

7

Offer corporate perks, but in a way that fosters the company's culture.

For example, Zillow invests heavily in employee education and training. Embrace a corporate culture that works hard, plays hard, and celebrates milestones.

8

Motivate employees to succeed through autonomy, mastery, and purpose.

The best way to do this is by staying on message and regularly communicating your company's mission, and tying it back to the work your employees do on a regular basis. This will help them understand how their work contributes to the broader goal. Every quarter I remind myself (and my managers) of this by watching Dan Pink's YouTube video on motivation.

9

Finally, and most of all, treat employees like grownups.

There's no room at Zillow for needless rules or oversight. Great people need autonomy and inspiration, not a handbook thicker than the dictionary.

# AIRFLAC




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**Industry: Financial  
services/Insurance**  
**Latest eNPS: 62**

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Aflac Inc. is an American insurance company and is the largest provider of supplemental insurance in the United States. The company was founded in 1955 and is based in Columbus, Georgia. In the U.S., Aflac underwrites a wide range of insurance policies, but is perhaps more known for its payroll deduction insurance coverage, which pays cash benefits when a policyholder has a covered accident or illness. The company states it “provides financial protection to more than 50 million people worldwide.”<sup>13</sup> In Aflac’s case, when 40 percent of its staff hails from the millennial and Generation Z age groups, you constantly need new ways to keep them engaged.

But employers can take steps, both large and small, to help retain top talent, says Matthew Owenby, senior vice president,

chief resource officer for Aflac. In his keynote address at the 2016 EBN’s Benefit Forum and Expo in Nashville, Owenby revealed the average tenure at the insurance firm is 18 years, but some employees had been with the company for much longer. “It’s an amazing company and they are staying 20, 30 and 40 years. The call-in center turnover ratio is 8 percent nationally.” And 7 percent of that is due to spousal relocation, he adds, “this is pretty unusual.”

“If you take care of employees, they will take care of the business.” The millennial and Gen X workers expect transparency, because, as he puts it, “that is where the relationship starts. As well, they want things outside the company. They want one-on-one mentoring,” he says. “They don’t want automation in what is important.” In response, Owenby says although the firm has invested in employee automation “we are now walking that back.”

The company also takes a wide approach to engaging across different groups of employees. For its female employees, for example, the insurer holds a “women’s tea” where women gather with female executives to discuss career develop-

**If you take care of  
employees, they  
will take care of  
the business.**

ment and the challenges women face in the workplace. Aflac also holds “men’s coffee” meetings where men come together to hear from executives about workplace issues and strategy. “It’s a small simple thing that we get wonderful feedback from our employees,” he says.

And Aflac tries to push engagement further beyond technologies, as employers providing a human touch can create a real connection. For example, he says, on bonus day, Aflac employees are physically handed checks instead of electronically depositing the money into their accounts and this gesture makes a massive difference.<sup>14</sup>

<sup>13</sup> <http://fortune.com/2015/06/04/spencer-rascoff-keeping-your-best-employees/>

<sup>14</sup> <https://www.aflac.com/about-aflac/default.aspx>

# HASBRO



**Industry: Toy  
manufacturing  
Latest eNPS: 61**

Open communication at every level of Hasbro promotes greater employee satisfaction and more effective management. The company believes that success requires a culture where information is shared quickly and effectively, feedback is honestly given, and employees feel confident to talk freely with colleagues and managers. The company's focus on two-way communication starts right from the top. For example, monthly "Lunches with Leadership" give employees around the world similar opportunities to discuss all aspects of the business with Hasbro's most senior executives. Departmental meetings are held regularly, and senior

managers meet with their teams quarterly to provide updates about business and discuss departmental achievements and goals.

The company believes that success requires a culture where information is shared quickly and effectively, feedback is honestly given, and employees feel confident to talk freely with colleagues and managers.

Hasbro's long-term objective for employee engagement is to improve communication and global connections across the organization, and to promote employees' understanding of the corporate strategy and how they contribute to it. Recogniz-

ing that hard work and innovation keeps Hasbro ahead of the competition, the firm recognizes and rewards its employees for their contributions to Hasbro's overall success. Every employee's compensation package includes a pay-for-performance element, including merit-based increases and variable bonus programs linked to the performance of the company, region, business or individual. U.S. employees can view their total rewards and benefits on an online portal. And, throughout the year, the company celebrates individual and corporate success

Hasbro's long-term objective for employee engagement is to improve communication and global connections across the organization

15 <https://www.benefitnews.com/news/how-aflac-tackles-employee-turnover-through-engagement>

16 <https://csr.hasbro.com/employees/rewarding-employees>

17 <https://csr.hasbro.com/employees/engaging-our-employees>

through events and awards.<sup>15</sup>

As a company dedicated to enriching play time and bringing families closer together through its products, Hasbro appreciates the importance of helping employees maintain a good work/life balance. The company offers competitive paid time off policies including, in the United States, up to three weeks of vacation annually, beginning in the first calendar year after an employee is hired, an additional week off between Christmas and New Year, and a shorter working day on Fridays in many locations. The company also provide paid parental leave in all U.S. and European locations for parents taking care of a newborn or newly adopted child. A variety of flexible work arrangements are also on offer, subject to managers' discretion.

Individual arrangements may include flexible start and finish times, changes or reductions in work hours, and working remotely. The guidelines help provide flexibility for unforeseen events, such as bad weather or a sick family member, but also for more formal arrangement to meet individuals' needs and help promote better work-life balance.<sup>16</sup>

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HASBRO'S LONG-TERM OBJECTIVE  
FOR EMPLOYEE ENGAGEMENT IS TO  
IMPROVE COMMUNICATION AND  
GLOBAL CONNECTIONS  
ACROSS THE ORGANIZATION, AND  
TO PROMOTE EMPLOYEES' UNDER-  
STANDING OF OUR CORPORATE  
STRATEGY AND HOW THEY  
CONTRIBUTE TO IT.

# NETFLIX

# NETFLIX

**Industry: Media/  
Services**

**Latest eNPS: 61**

Netflix had long been famous for its “freedom & responsibility” slide deck as a way to communicate its corporate values to potential and existing employees. However, the company’s views concerning employee engagement and development have nothing to do with yoga classes, free meals or fancy office furniture. Netflix’s office may be close to other tech giants like Google, Facebook, and Yahoo as well as countless other start-ups, but the company couldn’t be more different in the way it thinks about perks and campus culture. There are no giant slides at Netflix’s office, no spontaneous ultimate Frisbee tournaments and no Burning Man tributes.

“Our version of the great workplace is not comprised of sushi lunches, great gyms, big offices, or frequent parties. Our version of the great workplace is a dream

team in pursuit of ambitious common goals, for which we spend heavily.” – Netflix corporate culture document.

Netflix is fond of saying it hires only “fully formed adults,” and the company treats them as such—bestowing on them great amounts of freedom so they can take risks and innovate without being bogged down by process. The flip side of all this power, however, is that people are expected to work at a super-high level or be quickly shown the door (with a generous severance package).

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However, tracking vacation days, getting expenses approved and sitting through yearly performance reviews are things

salaried employees at Netflix don’t really have to worry about. They have the right to get unlimited vacation. They can expense without getting approval from their managers, as long as they’re acting in Netflix’s best interest. In short—Netflix, employees have the total freedom to act as they see fit if it’s in the interest of the company. And employees who are “a good fit” for Netflix simply love this!

“If you trust and empower people and give them a chance to rise to the higher expectations, the vast majority of people are able to do it,” says Sam Stern, a senior customer experience analyst at Forrester Research.

As mentioned before, another famous tidbit about Netflix’s corporate culture is that the company doesn’t limit vacation time, instead leaving it to each employee to take as much time as they need, but also asking them to put in extra hours when necessary. “Frankly, we intermix work and personal time quite a bit, doing email at odd hours, taking off weekday afternoons for kids’ games, etc.”<sup>17</sup>

But still—Netflix is not all that boring the whole time! For example, how many CEOs would wear an ugly Christmas sweater on earnings calls?

LG



**Industry: Technology/  
Electronics**  
**Latest eNPS: 60**

LG Corporation, formerly Lucky-GoldStar, is a South Korean multinational conglomerate corporation. It is the fourth-largest chaebol (family-run company) in South Korea and is headquartered in Seoul. LG makes electronics, chemicals, and telecom products and operates subsidiaries such as LG Electronics, Zenith, LG Display, LG Uplus, LG Innotek and LG Chem in over 80 countries.<sup>19</sup>

LGE is constantly striving to create a corporate culture based on communication. Known as “Communication for Solving Problems,” the LG process allows employees to communicate freely, one-to-one, with top managers and leaders in order to address potential problems in a timely manner. And this communication involves more than simply reporting the problem. Participants are encouraged to view the problem from the owner’s perspective

before suggesting a solution to the problem.

Employees  
are solicited to  
provide inputs  
describing a work  
environment and  
leadership style.

Similarly, with the annual “LG Way Survey”, the company assesses its effectiveness in creating a positive work environment in which employees feel their creativity and autonomy is being promoted, and then implements improvements based on the results. Employees are solicited to provide input on the work environment and leadership style: for example, “I am given the discretion to take the initiative based on my ideas and judgment when working towards meeting the company’s goals,” “My boss allows and encourages me to make moves that have never been tried before,” etc.

Another employee initiative is

the so-called “VOE” or “Voice of Employees.” This process identifies employee perceptions of the company’s major policies and reviews the policies based on the collected perceptions. So-called Change Agents (CA) and Junior Board (JB) played important roles in activating this employee participation culture. CAs are the company’s members that lead change in LG’s overseas organizations. JB is a medium for employees in Korea to communicate their opinions to top management and perform various roles connected with employee rights. VOE is considered first in all improvement plans and has become a vital part of LGE’s corporate culture.

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LG also operates various programs to ensure its employees' work-life balance. The company believes that employee happiness, both personal and professional, leads to strong business performance and that work-life balance is an integral part of making employees happy. For this reason, LG Electronics has a wide range of initiatives to help employees achieve work-life balance. For example, the company provides stress management and psychological counseling services so that employees can focus on their working life. It operates psychological counseling programs in all

corporate branches throughout Korea, and provides a mobile counseling service for small regional branches. In particular, employees' family members can get help with their problems from the counseling service available at the company's R&D centers.<sup>19</sup>

THE COMPANY BELIEVES THAT  
THE HAPPINESS OF ITS EMPLOYEES,  
BOTH PERSONALLY AND  
PROFESSIONALLY, LEADS TO  
STRONGBUSINESS PERFORMANCE  
AND THAT WORK-LIFE BALANCE IS  
AN INTEGRAL PART OF MAKING  
EMPLOYEES HAPPY.

INTUIT



**Industry: Software/  
Banking**  
**Latest eNPS: 59**

Intuit may not star in the Fortune 500 list like GE and Facebook, but it's a force to be reckoned with in the tech industry. The firm's cloud-based accounting and tax preparation services generated \$4.7 billion in revenue last year from more than 1.8 million subscribers. Moreover, it consistently ranks among the best workplaces in the US thanks to a strong company culture.

"Intuit believes in the power of the individual. The power to do more. To make more. To be more."<sup>20</sup>

This statement applies not only to Intuit's vast customer base, but also to its employees. One of the core pillars of Intuit's employee engagement strategy is Spotlight, an awards program that has been the subject of a Stanford case study. The program is designed to foster healthy competition in the office and maintain employee

morale. To that end, Intuit makes a point of routinely recognizing good work. Personnel receive perks for strong sales performance, for referring a hire, proposing feature ideas and for a variety of other tasks that benefit the organization.<sup>21</sup>

a healthy lineup of incentives can make a big impact on employee engagement. Workers who do not feel adequately recognized are twice as likely to quit, according to Gallup, which means there's much to be gained on the retention front by acknowledging productivity.

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Moreover, Intuit mixes up the rewards to keep the incentive strong. One type of achievement may be recognized with a bonus, while another could get the recipient extra time to work on a project. Intuit has also set up a system that makes it easy for employees to commend one another when they exceed expectations in everyday tasks.

Even on a smaller scale, a consistent awards program with

<sup>20</sup> <https://medium.com/glint-od-science/customer-spotlight-how-intuit-worked-up-a-company-wide-appetite-for-hr-data-part-1-of-2-8eaac314992>

<sup>21</sup> <https://www.goco.io/blog/hr-worlds-innovative-companies/>

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