

Adapting Net Promoter thinking in public sector
organizations

Juho Hakola
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Faculty Faculty of Humanities	Department Department of Communication
Author Hakola, Juho	
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<p>Abstract</p> <p>This masters' thesis discussed the Net Promoter score (NPS) recommendation tools use in public sector context. The aim of this research was to examine the characteristics of NPS in public sector and its validity. The research fills a gap in the field of research where NPS is widely used in private organizations but is reportedly rarely unknown in public sector. Furthermore no previous research on the topic was found.</p> <p>The research questions were: 1) What characteristics do public sector promoters have; 2) what characteristics do public sector detractors have and; 3) what characteristics do public sector passives have. Theoretical framework examines reputation and satisfaction measuring in public sector organizations and special features of public sector communication.</p> <p>The research data is a public sector reputation survey gathered in 2014. Data consists of 1198 respondents. According to theory eight hypotheses were constructed and tested in analysis. Data analysis was done by statistical methods, therefore this is a quantitative research. Six of the hypotheses were confirmed and two disconfirmed.</p> <p>The research claims that public sector needs its own tool to measure satisfaction and reputation. Moreover the results confirm that NPS is in fact a needed tool. The most important result of this research is public sectors' own Net Promoter score (PSNPS) that claims that passives are counted in promoter pool according the special need of public sector.</p> <p>This research works as a discussion opener in public sector customer satisfaction and reputation measuring. This research is reportedly the first research to examine NPS in public sector and still needs more research before implications can be made for public sector organizations. Eventhough the results are not fully applicable this research works as an opener for scientific discussion of the topic.</p>	
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<p>Tiivistelmä</p> <p>Tässä maisterintutkielmassa tarkasteltiin Net Promoter score (NPS) -suosittelemittarin sopivuutta julkissektorin käyttöön. Tutkielman tavoitteena oli selvittää, sopiiko yksityisellä sektorilla paljon käytetty mittari julkissektorin organisaatioihin. Tutkimus täyttää aukon tutkimuskentällä, jossa NPS:ää on tutkittu paljon yksityisen sektorin organisaatioissa, mutta tutkimusta julkissektorilta ei tietävästi ole tehty. Tutkimuskysymykset olivat: 1) Millaisia piirteitä julkissektorin suosittelijoilla on; 2) millaisia piirteitä julkissektorin herjaajilla on; 3) millaisia piirteitä julkissektorin passiiveilla on. Teoreettinen viitekehys käsittelee julkissektorin maine- ja tyytyväisyysmittareita sekä julkissektorin erityispiirteitä. Tutkimus oli määrällinen tutkimus, jonka aineistona oli julkissektorin mainemittaustutkimus. Aineistossa oli 1198 vastaajaa, ja aineisto on kerätty vuonna 2014. Teorian pohjalta muodostettiin yhteensä kahdeksan hypoteesia, jotka testattiin analyysivaiheessa. Aineiston analyysi toteutettiin määrällisin menetelmin. Kahdeksasta hypoteesista kuusi vahvistettiin. Tutkimuksessa todettiin, että julkissektori tarvitsee oman mittarinsa tyytyväisyyden ja maineen mittaamiseen. Lisäksi tulokset vahvistivat aiempia käsityksiä Net Promoter scoren tarpeellisuudesta. Tärkeimpänä tutkimustuloksena esitettiin julkissektorin oma NPS eli public sector Net Promoter score (PSNPS). PSNPS esittää, että julkissektorin erityispiirteiden mukaisesti passiivit lasketaan promoottorien kategoriaan. Tutkimus avaa keskustelua julkissektorin asiakastyytyväisyyden ja maineen mittaamisen. Tämä oli tiedettävästi ensimmäinen aiheesta tehty tutkimus, joten se tarvitsee vielä lisätutkimusta ollakseen sovellettavissa julkissektorin organisaatioihin. Tutkimus toimii hyvänä keskustelunavaajana jatkotutkimukselle, vaikka tutkimustulokset eivät tällaisenaan ole täysin sovellettavissa julkissektorin organisaatioihin.</p>	
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1 INTRODUCTION

The performance of the public sector organizations is a subject that creates conversation especially in political arenas. According to Eurostat (2015) general government percentage of GDP amounted 45,2 % in revenues and 48,1% in expenditures (Eurostat 2015). Almost a half of total revenues and expenditures of GDP gives the idea of the importance of public sector. Satisfaction and dissatisfaction towards the public services are major issues in Finland at the moment. Moreover regression in Finnish economy has driven public sector to a situation where cutbacks are necessary to maintain the Finnish welfare society. A major difference between public and private sector is clear, as public sector organizations not only pursue for efficiency, but democratic values and services (Gelders, Bouckaer & Van Ruler 2007). Measuring the performance of the public sector organizations somewhat differs from private sector organizations. Thus this research seeks to contemplate the measuring by researching Net Promoter score in public sector context.

Net Promoter score (NPS) has gained a lot of attention since its introduction in 2003. NPS is well known in private sector organizations and many of customer satisfaction surveys involve NPS question. Net Promoter score is widely used in private sector organizations for measuring organizations' loyalty and growth (Reichheld 2003). Despite its popularity, NPS has not been widely used in public sector organizations. Furthermore no applications have been made for NPS in public sector organizations. This research seeks to introduce public sector Net Promoter score. To test NPS in public sector, a survey was conducted for 11 Finnish public sector organizations and the stakeholders of the organization.

Net Promoter score claims to be "*the one number you need to know to grow*" in business (Reichheld 2003) but this research asks whether NPS can be applied to public sector organizations where customers have little choice of choosing

services. This research seeks, if public sector NPS differs from traditional NPS and if the concept of public sector NPS (PSNPS) is needed. This study contemplates on the qualities of the PSNPS and why, if at all, it should be used in the public sector.

The stakeholders in the public sector are voters, tax payers, service users and customers (Luoma-aho 2007). Citizen or stakeholder satisfaction can be seen as the combined result of the expectation and the perception towards the service or product (Andreassen 1994). Moreover Dahlberg and Holmberg (2013) have suggested that ideological congruence combined with impartial and effective government will lead to higher satisfaction on democracy. According to Thijs (2011) many public sector organizations spend money on satisfaction surveys, but only learn the amount of satisfied customers. In overall measuring customer satisfaction should give the organization tools to understand the factors that drive satisfaction or dissatisfaction. Satisfaction measuring itself is irrelevant, if the drivers of satisfaction or dissatisfaction are hidden. (Thijs 2011.) Thus this research aims to offer a new way to look into public sector stakeholder management. Public sector organizations need to understand the concept of reputation and its effects to reputational capital. Where increased reputation may lead to lower transaction costs, easier employee recruitment, increased employee loyalty, and may have an effect on legitimacy of the organization. (Luoma-aho 2007.)

Although NPS has been criticized about its superiority over other customer loyalty meters (Keiningham, Cooil, Andreassen & Aksoy 2008; Kristensen & Eskildsen 2014), it's still widely used in private sector organizations e.g. Apple, GE and Phillips. In this impression, researching NPS in public sector organizations seems necessary. Moreover loyalty programs and Customer Relationship Management (CRM) tools have been researched in the context of private sector but public sector lacks research on loyalty (De Cnudde & Martens 2015).

The research aims to give insight on the research problem in following order: First the concept of citizen satisfaction and expectations in public sector are introduced in Chapter 2. In Chapter 3 the Net Promoter score is discussed, following with the recommendation by word of mouth (WOM). In the end of the Chapter 3 the customer relationship management (CRM) is discussed, as Net Promoter score can be seen as a CRM tool. Chapter 4 introduces the special characteristics of the public sector, where communication in public sector and stakeholder theory is discussed. The empirical part of this research starts in Chapter 5 where methodology, research questions, hypotheses and data are introduced. Chapter 6 is a presentation of the results of data analysis. Finally in the Chapter 7 research questions are answered. Chapter 7 also presents the

evaluation of the reliability and validity of the research followed with suggestions on future research.

The research problem of this research is: Can Net Promoter score be used in public sector organizations and what differences does it have? This research seeks to answer the following research questions:

RQ 1. What characteristics do public sector promoters have?

RQ 2. What characteristics do public sector detractors have?

RQ 3. What characteristics do public sector passives have?

2 CITIZEN SATISFACTION AND EXPECTATIONS IN THE PUBLIC SECTOR

Citizen satisfaction is based on multiple factors, and in the age of technology, tracking and monitoring these factors is easier than before. Monitoring systems, such as satisfaction meters and tools can be an important part of organizations success.

This chapter introduces the concepts of citizen satisfaction, who are the stakeholders in public sector organizations and how to monitor them. First the citizen satisfaction in the public sector is discussed. Second the measuring of the citizen satisfaction is examined. Finally the concept of stakeholder expectations is introduced. This chapter seeks to discuss the theoretical basis of the citizen satisfaction concept and why it is important.

2.1 Citizen Satisfaction

Citizens are the stakeholders in the public sector. Luoma-aho (2007) describes a stakeholder as anyone, who has something to do with the public sector. Thus stakeholders in the public sector are voters, tax payers, service users and customers. (Luoma-aho 2007.) There are differences in stakeholders' use of services, as some may have a direct contact with the organization and some may not (Thijs 2011, 26). Citizen satisfaction can be seen as a combined result of the expectation and the perception of the customer towards the service or the product (Andreassen 1994). According to Oliver (1980) the customers' expectations and the quality of service performance together lead to

disconfirmation, which is a combination of them both. Thus satisfaction consists of expectancy, performance and disconfirmation and their relations (see Figure 1.). (Oliver 1980.) Moreover citizen satisfaction is not formed by one service situation but many. Thus citizen satisfaction is a social construction by the cumulative experiences of the customer to date. (Johnson, Gustafsson, Andreassen, Lervik & Cha 2001.) Citizen satisfaction is an overall judgement of a product and a service (Van Ryzin 2004).

Satisfaction research with loyalty is based on Hirschman's (1970) research. When organizations provide services or products, they are exposed to different threats. These threats may eventually lead to dissatisfaction among customers or citizens, which leads to actions. According to Hirschman (1970) stakeholders react in two ways: 1. Exit option, where stakeholders stop using services or leave organization; 2. voice option, where stakeholders express their dissatisfaction directly to the organization. (Hirschman 1970, 4.)

Dahlberg and Holmberg (2013) have suggested that ideological congruence combined with impartial and effective government will lead to higher satisfaction on democracy. Moreover citizens satisfaction consists more of governmental quality than quality of democracy. (Dahlberg & Holmberg 2013.) Citizen satisfaction is not only an outcome of governments' performance, but a combination of citizens expectations and disconfirmation (Van Ryzin 2004). Whereas satisfaction may improve governments' performance by improving internal efficiency and external effectiveness (Andreassen 1994). Although citizen satisfaction should be measured, it might not reflect the real satisfaction rate. As expectations and idea of performance may be inaccurate towards the service. (Stipak 1979.)

In the disconfirmation model, the satisfaction is based on a summary judgement of the product or service. High expectations combined with low performance may lower the disconfirmation, that might affect satisfaction. In this case lowering citizens' expectations may lead to higher satisfaction. Moreover it seems that dissatisfaction is often connected to very high expectations towards the organization. (James 2009.) Figure 1. Shows the relations between expectations, performance, disconfirmation and satisfaction. Expectations (A) and performance (B) together cause disconfirmation (C) which leads to satisfaction. Furthermore the expectations and performance may cause satisfaction on routes F and E, but also have an effect on each other (D). (Oliver 1980.) Expectations have strong influence on satisfaction and frequent contacts to service may drive customer satisfaction more than perception. Moreover customers with less frequent contacts are more likely to be influenced by word of mouth or media. (Thijs 2011, 27-28.)

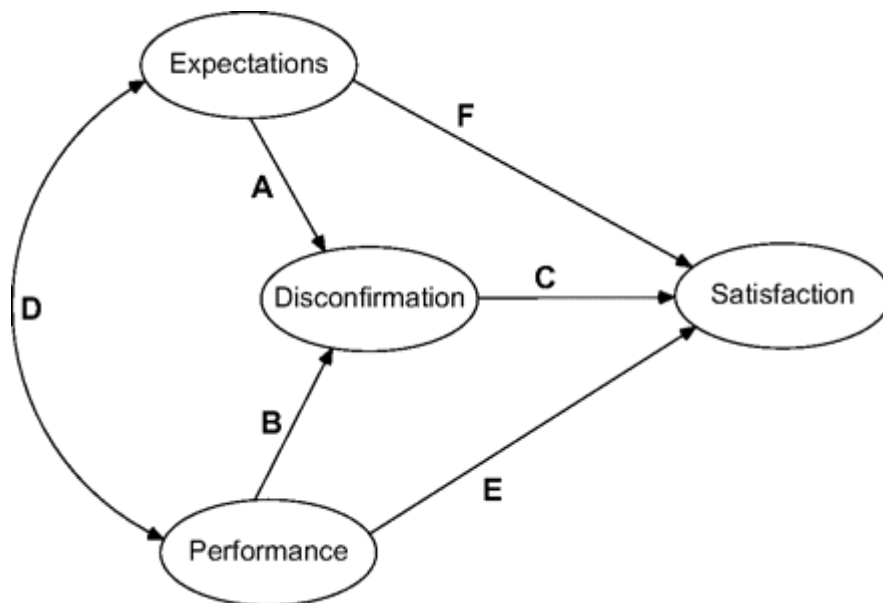


Figure 1. Expectancy disconfirmation with performance model (Oliver 1980)

2.2 Measuring citizen satisfaction

According to Thijs (2011) many public sector organizations spend money on satisfaction surveys but only learn the amount of satisfied customers, whereas the number of satisfied customers is not very informative. In overall measuring customer satisfaction should give the organization tools to understand the factors that drive satisfaction or dissatisfaction. Satisfaction measuring itself is irrelevant, if the drivers of satisfaction or dissatisfaction are hidden. The results of satisfaction measurement show the strengths and weaknesses, and therefore can be used for internal management. Furthermore the internal tracking over time might show improvement or decline in performance, even though this might not reveal the factors driving this evolution. (Thijs 2011.) Similar to closed loop learning (Reichheld 2011) that is introduced later in this research, Thijs (2011) suggests an on-going process on how to use a customer satisfaction measuring in five steps. First the context of the organization must be decided, second the data needs to be gathered, third the data needs to be interpreted, fourth the actions and improvements should be done, and fifth there needs to be a follow up.

Satisfied customers have higher expectations on the service. (Thijs 2011, 15-18.) Moreover James (2009) proposes that lowering citizen expectations leads to higher satisfaction (James 2009). When organizations know their customers experiences, they can focus on using resources and time more effectively. Moreover satisfaction measurement gives the organization an insight on what is in their control and what is not. (Thijs 2011, 15.) Quantitative satisfaction surveys

allow the organization to test hypotheses and make statistical analysis on the data. Moreover a generalisation on population can be drawn from quantitative data. Quantitative methods give the organizations a change to track a large population and track change over time. (Thijs 2011, 34.)

2.3 Stakeholder expectations

Customers' expectations is a major driver in satisfaction, whereas expectations are formed by a number of factors. These factors include public perception through media, experiences of friends, family or acquaintances, and also how organization itself communicates of its services. (Thijs 2011, 28.) According to James (2009) it is suggested that high satisfaction might involve low expectation over performance of public service. Moreover a low satisfaction might be a sign of poor performance and high expectations. (James 2009, 108.) Expectations are commonly seen as positive constructions, that will strengthen the organizations' relationship with stakeholders if the expectations are met. Expectations consist of stakeholders' emotions towards the organizations. (Olkkonen 2015). Thus expectations management can be seen as a central task for organizations when constructing strategies, especially when stakeholders' expectations are not met. (Luoma-aho, Olkkonen & Lähteenmäki 2013.) Creating corporate citizenships that give expectations a direction and realism, helps organizations to manage stakeholder expectations. (Olkkonen & Luoma-aho 2011.) Monitoring expectations helps organizations to detect the gaps between actual performance and expectations (Olkkonen & Luoma-aho 2014). Moreover expectations can be connected to many concepts such as reputation, responsibility, relationship, legitimacy, satisfaction, trust and identity (Olkkonen & Luoma-aho 2015). In this research the examined concepts of expectations are reputation and satisfaction.

Reputation is one aspect of expectations, whereas exceeding expectations can improve and strengthen the reputation. Moreover reputation is affected by the past performance, which creates expectations to organizations' performance in the future. Thus stronger reputation has higher expectations. (Olkkonen & Luoma-aho 2015.) The expectation grid (see Figure 2.) explains the expectations of stakeholders. Expectations grid is divided in four fields that are: cynical, pessimistic, optimistic and cautious expectations. Expectation grid helps to recognize and categorize stakeholders. In the grid cynical expectations mean that organization is expected to fail, but outcomes are positive. Optimistic expectations are based on previous experiences that are based on trust, but can damage the relationship if not met. Pessimistic expectations on the contrary

display distrust where organization is expected to fail, thus negative expectations are confirmed. In cautious or blind faith expectations the organization is expected to fail but expectants have high confidence towards the organization to turn it around. (Olkkonen & Luoma-aho 2015.)

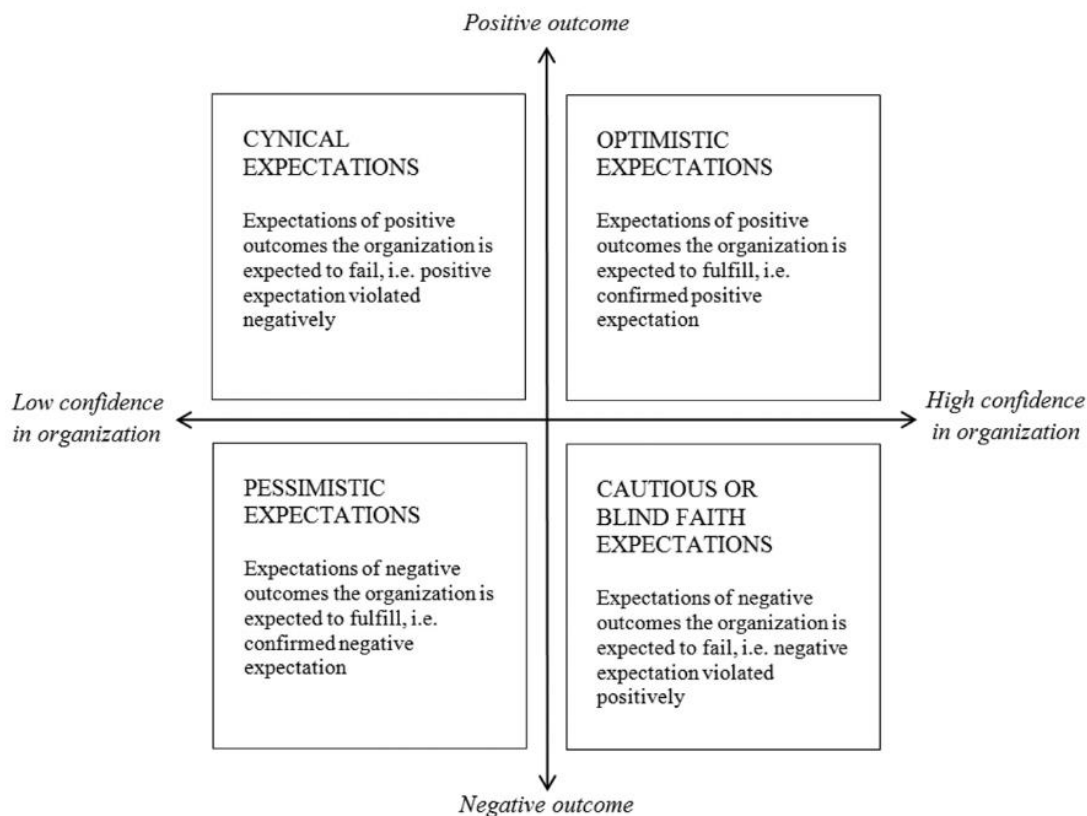


Figure 2. Expectations grid (Olkkonen & Luoma-aho 2015)

This chapter combined relevant research of the citizen satisfaction in public sector. Furthermore, the concept of expectations was introduced as it plays major role in satisfaction measuring. Moreover it seems that citizen satisfaction has different factors, where understanding expectations is important.

3 NET PROMOTER SCORE, SHARING AND CUSTOMER RELATIONS

Previous chapter explained the concept of citizen satisfaction in theory. This chapter seeks to introduce some practical tools to measure it. Customer relationship management tools are used widely in both public and private organization. These tools provide information about the customers for the organizations.

This chapter introduces Net Promoter score (NPS) that is based on word of mouth theory (WOM). Both concepts are introduced in following order: First NPS is explained, second the aspects of WOM are examined and finally these two concepts are put together under the concept of Customer relationship management (CRM).

3.1 Net Promoter score (NPS)

Net Promoter score (NPS) is a tool for organizations to measure and manage loyalty of their customers. It consists of three different elements: promoters, passives and detractors. Promoters are the people that are likely to promote the organization/product or a brand. Passives are the people who neither promote nor detract. In contrast detractors are the people that are likely to detract the organization/product or a brand. (Reichheld 2003.) According to Reichheld and Markey (2011) NPS is a flexible and adaptable system that has evolved from just a score into a whole system. Whereas the score is flexible and measuring scale is not relevant, but a working system needs three fundamental elements. These elements are systematic data collection, closed loop learning process and a mission to create more promoters than detractors. (Reichheld& Markey 2011, 10-

13.) Systematic data collection means that the data of NPS should be timely and analyzed often. Creating a closed loop process is about learning from the data that is collected, and improving continuously. Moreover the mission to create more promoters should thrive the management to pursuit even better scores. (Reichheld & Markey 2011, 12.)

The score itself is formed by taking the percentage of possible promoters of the organization, subtracted by the percentage of possible detractors. The passives are excluded from the equation, but aren't meaningless, as more passives mean less promoters or detractors. The amount of promoters and detractors are collected by a simple question "how likely is that you would recommend brand or company to a friend or colleague?". This question is assessed on scale 0-10 where 0 is not all likely to recommend and 10 is extremely likely to recommend. The scale is divided into three categories: promoters, passives and detractors. Answers from 9-10 are promoters, 7-8 are passives and 0-6 are detractors. (Reichheld 2003.) Figure 3. shows the Net Promoter score and its elements.

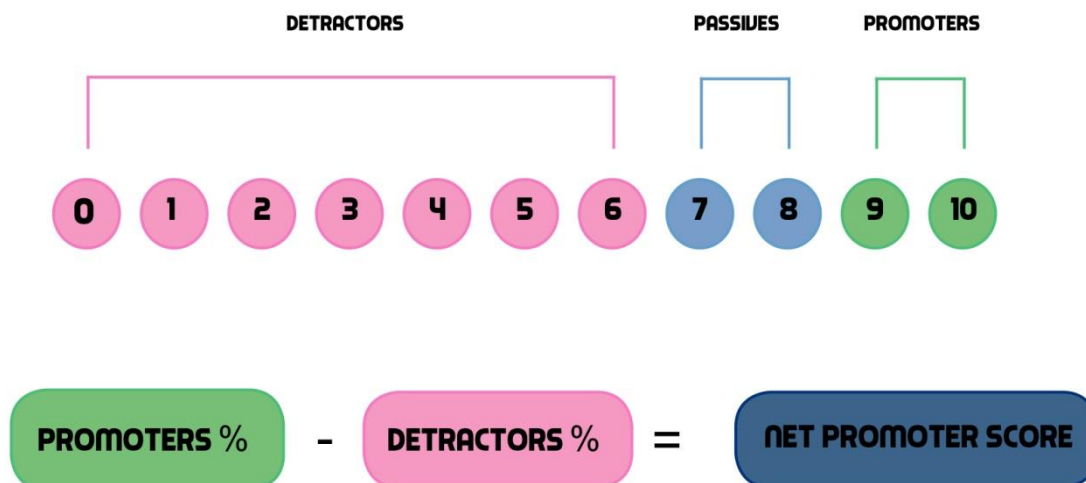


Figure 3. Net Promoter score (NPS) (Reichheld 2003)

There are some principles when measuring NPS. To explain the NPS and to form a closed loop, another question or other questions should be asked together with NPS. Although the principle of the NPS is to keep the questionnaire short, as the short questionnaires get better response rates. Choosing the right questions is up to the organization to decide what works best. (Reichheld & Markey 2011, 103.) Seeking the high response rates makes the liability of the survey better, as the non respondents might be detractors or promoters. (Reichheld & Markey 2011, 110-111.)

Reichheld (2003) defines loyalty as *“willingness of someone – to make an investment or personal sacrifice in order to strengthen a relationship”*. According to Reichheld (2003) loyalty reduces customer acquisition costs and may lead to repurchases, as loyal customers bring new customers and become a part of the organizations marketing department. (Reichheld 2003; 2011.)

Loyalty itself can be measured by various different measures, such as American Consumer Satisfaction Index (ACSI), but Reichheld (2003) claims that other meters are complex and in that way practically useless. Whereas NPS consists of one question only, that is simple and gives the organizations timely data (Reichheld 2003). ACSI on the other hand measures perceived quality, customer expectations and perceived value (Fornell, Johnson, Anderson, Cha & Bryant 1996). As the score itself is simple, there are three key elements that justify the NPS. First organizations should categorize promoters and detractors timely and transparently, so the employees understand it. Second a closed-loop learning should be built, where the actions on NPS are taken. Third the organizations need to concentrate on creating more promoters and fewer detractors. (Reichheld 2011.) According to the research, a strong correlation in organizations growth rate and the amount of promoters is shown. On the other hand promoting didn't predict relative growth in monopolies or situations where customers had only a little choice. (Reichheld 2003.)

Although Net Promoter score is well adopted by managers, its superiority has been criticized. (Keiningham, Cooil, Andreassen & Aksoy 2008; Kristensen & Eskildsen 2014.) As other metrics, such as American Customer Satisfaction Index (ACSI) has been found as effective as NPS (Keiningham et al. 2008). Moreover Grisaffe (2007) suggests that instead of NPS being *“the one number you need”* it would be a number among the other numbers, and should not be seen as a superior to other metrics. Moreover NPS should be seen as a valuable diagnostic metric that can be important to organizations' performance. (Grisaffe 2007.) Other metrics seem to perform as well as NPS in predicting revenue growth, and equally poor in predicting sales growth. Thus NPS is not superior or inferior compared to other metrics. (Van Doorn, Leeflang & Tijs 2013.) Furthermore NPS measures only positive word of mouth (PWOM) and suggests that if one doesn't share PWOM, sharing a negative word of mouth (NWOM) is likely. According to East et al. (2011) detractors also gave PWOM, thus it seems that NPS provides measuring PWOM but not NWOM. It seems that neither NPS nor ACSI provide enough information about NWOM and another metric to measure WOM should be made. (East, Romaniuk & Lomax 2011).

3.2 Recommendation by Word of mouth (WOM)

Word of mouth (WOM) is a message from a citizen to another, to pass informal advice (East et al. 2008) or sharing opinions on anything, including recommendations (Berger 2014). WOM may either be positive (PWOM) or negative (NWOM). WOM is potentially a powerful communication source and is associated with satisfaction or dissatisfaction. (Sweeney et al. 2014.) Moreover brand purchase is affected relatively by PWOM and NWOM (East et al. 2008).

Seems that NWOM has more impact on brand purchase than PWOM (East et al. 2008). However according to the latest researches PWOM can be seen to have more influence on brand purchase probability than NWOM (East et al. 2008; Sweeney et al. 2014).

As many of the conversations today take place online, also WOM has concept in online issue arenas, online WOM (Sun et al. 2006; Hennig-Thurau, Malhotra, Frieger, Gensler, Lobschat, Rangaswamy & Skiera 2010) or social sites WOM (sWOM) (Eisingerich, Chun, Liu, Jia & Bell 2015). Whereas online word of mouth can be seen as more influential than traditional WOM (Sun, Youn, Wu & Kuntaraporn 2006) also Hennig-Thurau et al. (2010) claim that social media sites, such as Facebook, supplant the traditional WOM in customer relationship management. In turn according to Eisingerich et al. (2015) it seems that traditional WOM is not dead. Although sWOM can be seen more effective, the latest researches show that consumers are less likely to share sWOM than traditional WOM. Moreover consumers are less willing to give positive feedback in social sites than face-to-face. (Eisingerich et al. 2015.) The key differences between sWOM and WOM are in perceived social risk and in self-enhancement, where sharing sWOM can be seen more risky and more sensitive to motives to enhance self. (Eisingerich et al. 2015.) According to Lau and Ng (2001) organizations should make giving feedback easy, because customers who don't see complaining worthwhile, may engage in negative WOM. Moreover organizations should recognize customers who are likely to share negative WOM. (Lau & Ng 2001, 174.)

The reasons for sharing WOM are crucial for understanding Net Promoter score. Why and what people are sharing, and what effects does it have. Berger (2014) suggests that WOM serves five key functions: impression management, emotion regulation, information acquisition, social bonding and persuading others. The effects on sharing are explained in the Table 1. (Berger 2014.)

Table 1. Word of mouth five key functions (Berger 2014)

FUNCTIONS	COMPONENTS	EFFECTS ON SHARING
Impression management	1. Self-enhancement 2. Identity-signaling 3. Filling conversational space	+Entertaining content +Useful information +Self-concept relevant things +Unique and special things +Common Ground +Accessible things +When aroused Shapes content valence
Emotion regulation	1. Generating social support 2. Venting 3. Sense making 4. Reducing dissonance 5. Taking vengeance 6. Encouraging rehearsal	+Emotional content +Arousing content Shapes content valence
Information acquisition	1. Seeking advice 2. Resolving problems	+Sharing when decision are important or uncertain +Sharing when alternative info is unavailable or untrustworthy
Social bonding	1. Reinforcing shared views 2. Reducing loneliness and social exclusion	+Common ground content +Emotional content
Persuasion	1. Persuading others	+Polarized content +Arousing content

3.3 Customer relationship and knowledge management in public sector organization

Customer relationship management (CRM) is well researched in private sector but research in governmental agencies is less explored (Pan, Tan & Lim 2006, 238). Customer relationship and knowledge management is based on what we know about our customers. Commonly research defines relationship management as process of gathering information and communicating with customers i.e. (Smyth & Edkins 2007; Pan, Tan & Lim 2006; Zablah, Bellenger & Johnston 2004) but also relationship management can be seen as a philosophy (Zablah et al. 2004, 478). As a philosophy CRM seeks to find the most effective way to either build or maintain long-term relationships with stakeholders and find loyalty within customers. (Zablah et al. 2004, 478.) In public sector context this means "*what do we know about the users of the services?*", where the users are customers, citizens and stakeholders. Riege & Lindsay (2006) propose that communication of policy outputs and policy outcomes to stakeholders, together with stakeholders in partnerships, make a good starting point to organization to start learning about their stakeholders. As public sector organizations are relatively uncompetitive they can transform into dynamic and knowledge-intensive learning organizations. (Riege & Lindsay 2006, 25.) Moreover the aim of CRM as philosophy, is to connect with customer/stakeholder in day-to-day actions and understanding the needs and the demands of the customers, that may change during time (Zablah 2004, 480).

4 CHARACTERISTICS OF THE PUBLIC SECTOR

The previous chapters introduced the concepts of citizen satisfaction and its measuring. This chapter describes the characteristics of the public sector and how it differs from private sector. First, the concept of reputation in public sector is discussed. Second, communication in public sector is examined. In the end of this chapter stakeholders are divided in two groups: faith-holders and hateholders.

4.1 Reputation in the public sector

Reputation is not formed by an organization, but the public, where stakeholders play major role in reputation. Reputation is important to organizations and it has its differences in public and private sector organizations. Many tools for reputation measuring are designed for corporate use, where such values as competition and financial performance are major factors. (Luoma-aho 2007.) The research of reputation management is mainly based on private sector organizations, whereas public sector organizations lack the autonomy and cannot operate as in private sector. Furthermore reputation management books seem to focus on for-profit organizations. Thus public sector organizations encounter problems when following standard reputation management concepts. These problems can be divided into five aspects: politics, consistency, charisma, uniqueness and excellence problems. (Wæraas & Byrkjeflot 2012, 188-189.)

The politics problem

The politics problem is faced by almost all public organizations because of the connections to political decision making, as the political authorities make new policies and the administration implements them. New public agencies are established because of the need for a service and not because of a profitable market opening. Public organizations have the *raison d'être* from the start and is not changed by the organization itself, but from a political decision making. Furthermore public organizations also have a mission that they're assigned to, regardless whether public perception is positive or negative. Thus reputation is affected also by the mission and not only by the reputation management actions. Public agencies are also used as political tools whereas satisfaction towards public organization may change, as criticizing public organizations efficiency may help political parties to gain favor of citizens. Politics problem may have effect on the ideals of successful reputation management. (Wæraas & Byrkjeflot 2012, 195-196.)

The consistency problem

Organizations with good reputation seem to be more consistent than organizations with weak reputation. The consistency is built on the values, identities and self-presentation when the organizational unit works as "one body" to achieve the same goal. (Wæraas & Byrkjeflot 2012, 195-196.) According to Wæraas & Byrkjeflot (2012) this seems to be problematic, as many of the public organizations exist to provide services and help. Public organizations may involve various types of employees, thus the connection between different units in same organizations may be vague and irrational. The consistency problem might make reputation management more complex. (Wæraas & Byrkjeflot 2012, 195-196.)

The charisma problem

Wæraas & Byrkjeflot (2012) claim that individuals seek for experiences and good feelings provided by the service, and not just something that meet their functional needs. Public organizations usually lack the charisma, as public organizations rarely get to choose their clients and environment in which they're working on. As bureaucracy can be seen as a bad thing, it is harder for public organizations to build a charisma. Moreover public organizations are rarely connected with positive news as they are usually connected on something not working. This makes public organization seem ineffective. (Wæraas & Byrkjeflot 2012, 196-197.)

The uniqueness problem

Organizations with strong reputation are often characterized by their uniqueness. Moreover customers are willing to pay a little extra for a unique service or product. However public organizations are rarely seen as unique or innovative, but more as political, hierarchical and bureaucratic. Moreover differentiation may cause problems for public services. If the same public actor provides better service than the other i.e. hospitals, as all the hospitals should have the same quality to gain the trust. (Wæraas & Byrkjeflot 2012, 197-198.) Luoma-aho (2007) suggests that neutral reputation might benefit organizations more than a strong reputation (Luoma-aho 2007).

The excellence problem

Commonly the reputation management literature proposes organizations to seek for a strong reputation. However public sector organizations seem to score low in RepTrak Public-tool ranking, which measures the reputation of the organization. This may prove that public organizations have poor reputation in general, but it suggests that strong reputation is hard to achieve. (Wæraas & Byrkjeflot 2012, 198-199.) Gaining strong reputation demands great resources and in case of a crisis, building a strong reputation back demands even more resources (Luoma-aho 2007).

The organizations that operate with government in certain region, already have experience with the services that government offers. In turn the companies located outside, evaluate the reputation of the region (Andreassen 1994, 21). According to this view, it is important for the government and the other public sector organizations to maintain reasonable reputation to attract organizations to operate in the area, as tax inflow is playing major part in peoples' or organizations' satisfaction with the public services. Reputation and satisfaction together generate bonds between public services and organizations in the region. (Andreassen 1994, 27-28.)

According to the researches, reputation is a social cognition of the attitudes and beliefs of the stakeholders towards the organization (Andreassen 1994; Fombrun 1996; Luoma-aho 2007; Rindova, Williamson & Petkova 2010). Whereas the reputation between different stakeholders may vary towards the same organization (Gotsi & Wilson 2001). Reputation is formed by daily images of stakeholders towards the organization, where reputation is the influence of stakeholder support and engagement (Fombrun 1996). Moreover reputation is not only the image of the present, but the stakeholders evaluation of experience, received information and comparison to rival organizations by date (Gotsi & Wilson 2001). Thus organizations should focus on long term reputation

management, where every day practices shape reputation (Luoma-aho 2008). Reputation can be seen as a ranking between the rivals of the field (Fombrun 1996). Similarly public sector services may compete with private services (i.e. health services).

Stakeholders in the public sector organizations can be defined as almost anyone who is somehow part of the organization, although some stakeholders or their actions remain hidden (Luoma-aho 2007). As private sector organizations look to increase the satisfaction of their stakeholders, the situation in public sector organization is somewhat different, as the main purpose is not to please all the stakeholders (Luoma-aho 2007). Reputation management is also timely in public sector organizations, as public sector organizations struggle with negative image (Wæraas & Byrkjeflot 2012). A strong reputation may benefit organization if resources are scarce and public expectations are rising (Wæraas & Byrkjeflot 2012). Strong reputation might also affect governments performance (Andreassen, 1994). As public funding is facing cuts Luoma-aho (2007) introduces an ideal for organizational reputation, where public sector organizations should seek more neutral than positive reputation if resources are small. Look Figure 4. (Luoma-aho 2007).

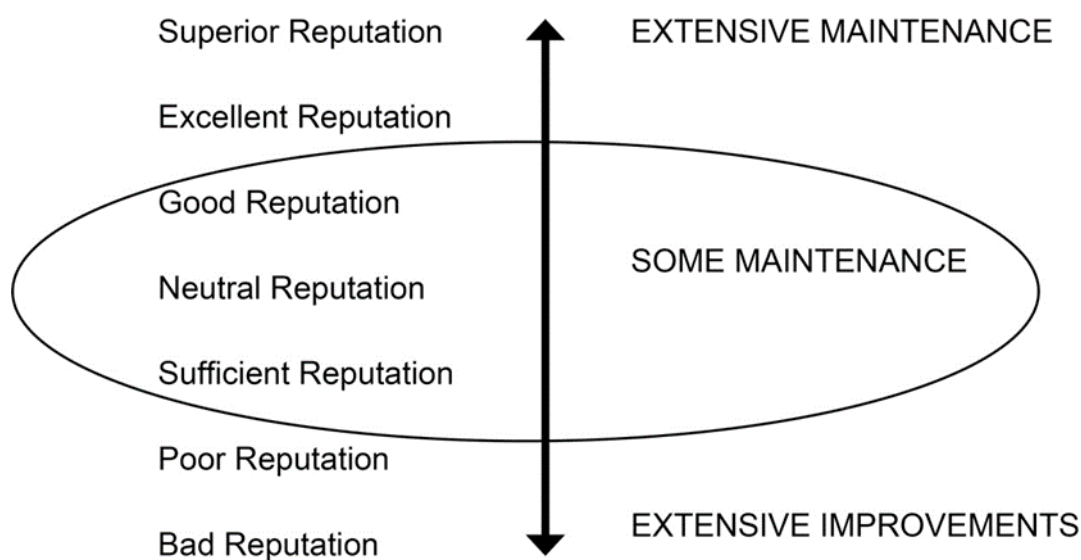


Figure 4. Ideal of reputation in public sector showed circled area (Luoma-aho 2007)

According to Andreassen (1994) reputation creates satisfaction and loyalty, whereas reputation is a major driver of loyalty (Andreassen 1994). Reputation capital is value for reputation where reputational risk exists. Reputational risks include possible gains and possible losses of reputational capital. Good

reputation may lead to satisfied employees and customers and creates positive word of mouth. On the contrary, negative reputation may lead to unsatisfied customers and confidence lost (Fombrun, Gardberg & Barnett 2000). On the other hand bad reputation might not lead stakeholders to question organizations' legitimacy as long as its *raison d'être* is not challenged (Wæraas & Byrkjeflot 2012, 201). As public sector organizations have to measure performance and also provide services, they also need to convince their employees that the needs of the stakeholders need to be fulfilled. For the employees, a sense of organizational purpose, might increase their motivation and job satisfaction. (Moynihan & Pandey 2007.) Although more quality might not lead to better evaluations, because the expectations of the citizens' might change as well (Bouckaert & van de Walle 2003, 332). In the global world nations are competing globally, which makes nations act like commercial enterprises, where national identity is seen as resource (Angell & Mordhorst 2015). Thus a changing environment demands monitoring of reputation and constant awareness of stakeholders and their actions (Luoma-aho 2007).

Public sector organizations hold up different kind of reputation. Legislative organizations can be seen with more bureaucratic reputation, whereas semi-commercial organizations have more flexible reputation. (Luoma-aho 2008.) Luoma-aho (2008) proposes that there are different types of public sector organizations that have different types of reputation. These types are from more bureaucratic to flexible; legislative, authority, research and semi-commercial organizations. (Luoma-aho 2008.) Furthermore reputation is a social construction that reflects the reality. (Luoma-aho 2008.) According to Luoma-aho (2007) five distinct factors of reputation were found when researching public sector organizations. These factors are called authority, esteem, trust, service and efficiency, where trust gained the highest values. (Luoma-aho 2007.)

4.2 Public sector and government communication

Some actions in public organizations' communication are demanded by law. For example municipalities are obligated to inform i.e. about services, economics and participation means to citizens (Kuntalaki 2015). Citizens have a chance to participate in meetings, but if feedback is gathered rarely, or no channel for giving feedback is available, some of the actions or feedback remain unknown. Gathering feedback all the time gives the stakeholders a chance to improve public sector communication.

Communication in public sector seems to have similarities and differences with the communication in private sector. For example governments' performance is assessed by the image of public or citizens that can be compared to customers. (Echart & Crespo 2011; Canel & Sanders 2011.) The public sector environment has constraints in public relations routines (Liu & Horsley 2007, 378). Daily communication actions in both, public and private sector, seem to be similar (Liu, Horsley & Levenshus 2010). However the way in which public relations are managed and practiced in public sector, have more differences than similarities with private sector. Liu et al. (2010) have found that differences between these two sectors are: (1) *inadequate budgets*; (2) *influence of politics*; (3) *frequency of communication with primary publics*; (4) *public pressure for information*; (5) *interaction with outside organizations*; (6) *frequency of media coverage*; (7) *negative evaluation of media coverage*; (8) *impact of legal frameworks*. (Liu, Horsley & Levenshus 2010). Moreover Gelders et al. (2007) claim that compared to private sector, public sector works in a more complex and unsteady environment. Public sector also has constraints and strict procedures combined with legal activity. Also products and goals differ from private sector. Furthermore public sector organizations don't always aim for efficiency or productivity but also providing services as a democratic gesture (Gelders, Bouckaert & Van Ruler 2007.)

As the image of the government is formed by citizens, public sector organizations need to learn which factors drive this public image. Moreover understanding the publics' opinions could lead to concepts and practices in public relations to follow. (Echart & Crespo 2011.) Public communication can modify the perceptions and expectations of citizens, as governmental actions are not only judged by their quality but also off their communication (Gelders, Galetzka, Verckens 2008). According to Echart and Crespo (2011) citizens hold government responsible for public services, thus government should concentrate on active problem solving. As the image is formed by the citizens, government should learn what citizens' demands are. Therefore government should monitor these opinions to calibrate between the message and its perception. (Echart & Crespo 2011.) To meet these demands public sector communication management needs monitoring (Vos 2006; Canel & Sanders 2011).

In the concept of a city, citizens' perception towards it are also relevant. For a poor perception may have influence on city's prosperity, as the internal investments and city's image as business community diminishes. On the contrary an improved image of a city as a brand may have a positive impact. (Trueman, Klemm & Giroud 2004.) Also the communicated content should match the real identity or actions by the public administration (Trueman, Klemm & Giroud 2004; Echart & Crespo 2011).

4.3 Stakeholders in public sector organizations

In this research the stakeholders have been divided into two groups, faith-holders and hateholders. According to Luoma-aho (2010) it is vital for an organization to recognize these two groups. Where the superiority of the other group may have influence on organizational legitimacy. (Luoma-aho 2010.)

4.3.1 Faith-holders in Public sector organizations

Stakeholders with positive experiences can increase social capital of the organization, as social capital can be seen crucial for public sector organizations. These positive stakeholders can be defined as faith-holders. Faith-holders are positively engaged to organization and are willing to recommend the organization. As the role of stakeholders has become larger for organizations survival, these faith-holders play an even bigger role. (Luoma-aho 2015.) The following Figure 5. shows the meaning of faith-holders for organizations' legitimacy (Luoma-aho 2010). Whereas the faith-holders build up organizations social capital, they also tend to trust organization even in bad times (Luoma-aho 2015). Figure 5. shows how faith-holders and hateholders ratio may affect organizational legitimacy. Faith-holders can be compared to promoters.

4.3.2 Hateholders in public sector organizations

Whereas stakeholders with positive engagements are called faith-holders, stakeholders with negative engagement are called hateholders. Hateholders may have negative effects on an organization as their hating or disliking may convert into actions. (Luoma-aho 2015.) Hateholders may disrespect brand online (Luoma-aho 2015) although people in general are less likely to spread negative word of mouth online than in traditional word of mouth (Eisingerich et al. 2015). Hateholders can be compared to detractors.

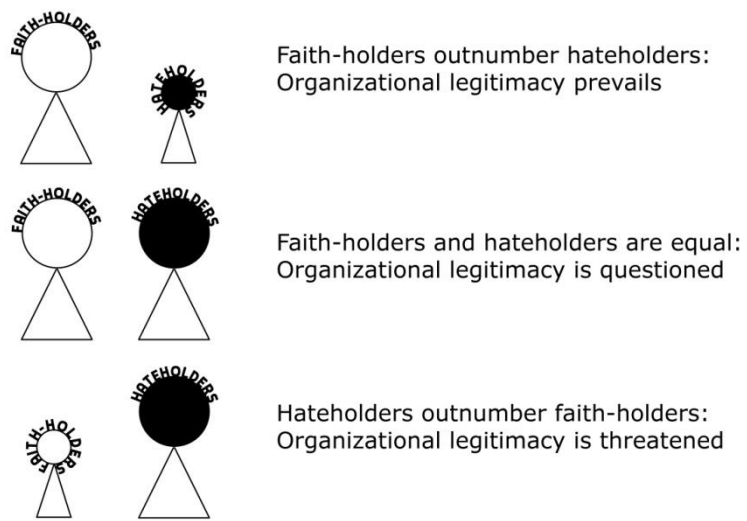


Figure 5. Faith-holders vs. Hateholders and consequences to organizational legitimacy (Luoma-aho 2010)

5 METHODOLOGY

In this chapter research methods are presented and explained. First the research questions and hypotheses are introduced. Second the data collection method and information about data is presented. In the last part of the chapter the methods of data analysis are explained.

5.1 Research questions and hypotheses

This research seeks to answer three research questions and the hypotheses that are based on literature. The research problem of the research is: Can Net Promoter score be adapted in public sector organizations and what are the differences between private and public organizations. Hypotheses are based on the theory and are tested in quantitative methods in results section. Following research questions are answered in conclusions.

RQ 1. What characteristics do public sector promoters have?

RQ 2. What characteristics do public sector detractors have?

RQ 3. What characteristics do public sector passives have?

Hypotheses of this research are:

H1: Respondents with frequent contacts with the case organization promote more.

H2: Detractors share both PWOM.

H3: Promoters share also NWOM.

H4: Passives don't promote or detract.

H5: More feedback is given in regular WOM than SWOM.

H6: Low reputation scores are given by detractors.

H7: Age is not a significant factor on NPS.

H8. Gender is not a significant factor on NPS.

5.2 Quantitative research

The aim of this research is to test Net Promoter score in public sector context. Net Promoter score itself is a statistical and measurable indicator for loyalty. Research can be divided in to theoretical or empirical research. Theoretical research aims to provide new information, mainly without practical applications. This research is empirical research which aims to provide new practical applications, based on basic research, to provide new information on researched topic. Moreover empirical research can be divided in to two groups that are qualitative or quantitative research. (Holopainen & Pulkkinen 2004.) This is a quantitative research as the research data was suitable for quantitative research. Theoretical framework was built around the data that was collected beforehand. From this data, researcher decided to examine the NPS in public sector context.

Quantitative research can be divided in two different research approaches. First approach is to research the overall population, if the population is small enough. When it comes to bigger populations, a sample research is needed. In sample research the researcher chooses a sample that describes the general population of the researched topic. (Holopainen & Pulkkinen 2004.) Quantitative analysis seeks to find the probability of the phenomena that occur in the sample, compared to population (Nummenmaa 2009). Thus the model used in this research is a stochastic model, which is based on probabilities. When stochastic models are used to describe a phenomenon, a statistical analysis is needed. The principle of statistical analysis in quantitative research has many stages, where a sample is taken from generalized population and hypotheses are made and tested. After the hypotheses are tested, conclusions can be drawn. (Holopainen & Pulkkinen 2004.) If the sample reminds the population the results can be generalized to conclusions. (Nummenmaa 2009.) Generalizations are based on statistical analysis, where the sampling represents the population. Statistical analysis compares the probability of the samples results to general population. This allows researcher to make generalization on samples. If some results happen in the sample, how likely it is to happen in the general population. Although the counted sample estimates might not fully represent the parameters of the population. (Nummenmaa 2009.)

5.3 Analysis methods

This is a quantitative research and data was analysed by quantitative methods. Data was analyzed by IBM SPSS statistics viewer. Data size was 1198 respondents which is big enough to perform a quantitative analysis. Cross tabulation with Chi-Square test and bivariate correlation analysis were done to data to compare Net Promoter scores' relation to other factors. Net Promoter score itself is an interval scale, but it was transformed into a nominal scale. Where the numbers 1-6 get the value 0 (detractors), 7-8 get the value 1 (passives) and 9-10 get the value 2 (promoters), as according to Reichhelds (2003) theory of NPS there is no difference between detractors, passives and promoters values. (Reichheld 2003.)

Statistical process of this research consists of 5 phases. First the key figures were presented, second the population parameters were estimated, third hypotheses were constructed and fourth the hypotheses were tested. Finally the conclusions were made following to the data analysis. When hypotheses are tested the significance level is counted. Significance levels are usually and in this research following: $P < 0,001$ = the result is statistically very significant; $P < 0,01$ the result is statistically significant; $P < 0,05$ the result is statistically almost significant. (Nummenmaa & Pulkkinen 2004.)

Many of the measured variables were ordinal scaled. In ordinal scales the results are categorized such as opinions, groups or rankings. Ordinal scales are usually numerized but the results are more i.e. averages than precise arithmetic calculation results. (Holopainen & Pulkkinen 2004, 13.)

Nonparametric methods were used to test hypotheses that handle reputation in the questionnaire. Nonparametrics are such data analysis and hypotheses testing tools, that have less suppositions than traditional parametric methods (Gibbons 1993, 1). Moreover nonparametric suit to the data that is on a nominal or ordinal scale. (Gibbons 1993; Metsämuuronen 2004). The reputation data was analyzed by nonparametric Kruskal-Wallis test, as the data is not normally distributed. Moreover according to Gibbons (1993) nonparametrics are suitable with the measurements done on Likert-scale (Gibbons 1993,1). Nonparametric are mainly based on the order of the perceptions rather than the score, and seeks to answer questions how and what factors can explain action, event or change (Metsämuuronen 2004, 10-13). Typically the results with parametric and nonparametric are similar, but nonparametrics give more reliable results in many of the cases in humanistic science (Metsämuuronen 2004, 13).

5.4 Data collection and data analysis

This study of the Net Promoter score (NPS) in Finnish public sector organizations was made in 2014-2016 with the assessments of 11 Finnish public sector organizations and its stakeholders. The data was collected for annual reputation research of social and health ministry and administration in 2014. Longitudinal research of reputation in public sector has been conducted since 2003 and similar data has been gathered every year with some modifications. In 2014 study included Net Promoter score for the first time. The questionnaire consists of 72 different questions. Questions include demographical information, open ended questions, assessment of reputation, school grade for the service and NPS. See the Appendix 1. Reputation questionnaire, for the specific questions. Altogether questionnaire had 1198 respondents. Of the respondents 51,3% (614) were female and 47% (563) were male whereas 1,7% (20) did not reveal their gender. Youngest respondent was 25 years old and the oldest 73 years old (mean=51,2 years, mode=59-60 years old).

The organizations chosen to this study were mainly administrative or order-type organizations. Stakeholders with experience of these public organizations were selected to participate in the study. Furthermore public at large is not included in this research, as organizations chosen to this research have only some actual contact with an average citizen. The respondents were stakeholders that frequently had contact with the public organizations and knew the organization well. The organizations examined in this research are supervising authorities, social and health ministry and administration and their stakeholders in Finnish public sector. The researched organizations are not revealed in this research.

The data was collected by University of Jyväskylä professor of organizational communication and PR, PhD Vilma Luoma-aho. Researcher did not participate on gathering the data. Data was analyzed together with PhD. Antti-Jussi Lakanen, University of Jyväskylä, Faculty of information technology.

6 RESULTS

This chapter presents results of the data analysis. First, the background information and Net Promoter score in the organizations is introduced. Cross tabulations between different variables are presented in the tables below. Furthermore the reputation in public sector within NPS is covered. Each sub chapter presents the main findings of the topic. The tables below show the distribution of the data analysis.

6.1 Background information and Net Promoter score

Age was tested in the analysis with Pearsons test and no correlation was found between age and promoting ($p=-0,031$). Although age might seem important on promoting or detracting, according to this analysis age does not seem to be a significant factor. As the age is not an issue, no age groups were formed to this research. Moreover genders and Net Promoter score did not have significant connection ($p=0,079$) meaning that gender and Net Promoter score have no correlation. Total of 563 (47, 8%) of the respondents were male and total of 614 (52, 1%) were female. According to Statistics Finland (2016) at the end of 2015 there were 49, 2% male and 50,8% female in Finland (Statistics Finland 2016). Genders are divided quite equally in the data. Job positions were divided in 5 categories. Working staff 15,8 % of the respondents, middle management 18,5% of the respondent, management 22,1% of the respondents, experts 42,5% of the respondents and entrepreneurs 1,2% of the respondents. The experts are almost twice as big as the next group that is management. This can be explained by the

demography of the field. Table 3. shows the amount of stakeholders in each category.

Net Promoter score is defined: promoters-detractors=Net promoter score. In this case $51,5\%-14,3\%=37,2\%$. The Net Promoter score of researched organizations is 37,2%. Figure 6. shows the distribution of promoters, passives and detractors.

Table 3. Background information of the respondents

Background information	Frequency	Valid percent
Gender		
Male	563	47,8%
Female	614	52,1%
Total	1178	100%
Missing	20	
Job position		
Employee	187	15,8%
Middle management	220	18,5%
Top management	262	22,1%
Expert	504	42,5%
Entrepreneur	14	1,2%
Total	1187	100%
Missing	11	
Net Promoter score		
Promoter	607	51,5%
Passive	403	34,2%
Detractor	169	14,3%
Total	1179	100%
Missing	19	

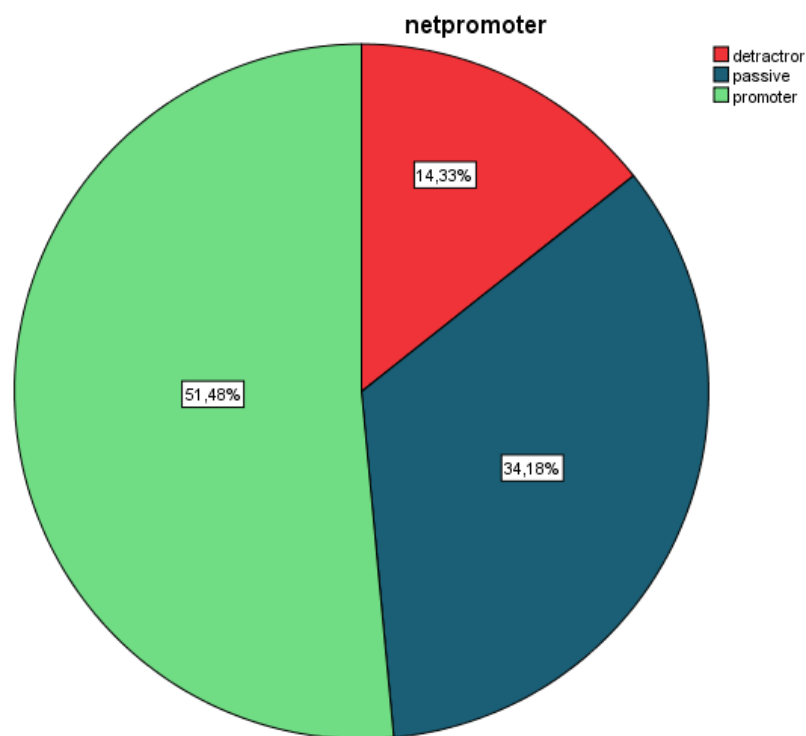


Figure 6. Net Promoter score in the public sector.

6.2 Experiences and Word of mouth about organizations

6.2.1 Experiences about organizations and Net Promoter score

Experiences about the organizations were asked with 5 different alternatives, mainly negative, neutral, mainly positive, both positive and negative and no experience of organization. Cross tabulation with NPS and experiences were made and Chi-Square test was performed. Experiences and NPS data was statistically very significant ($p=0,00$).

Of the detractors 14,9% had mainly negative experiences. Many of the detractors (27,4%) had neutral experiences but most of the detractors (47%) had both positive and negative experiences. On the passives group 15,7% had neutral experiences, 41,1% had positive experiences and 40,9% had both positive and negative experiences. On the contrary none of the promoters had mainly negative experiences on the organization. 77,3% of the promoters had mainly positive experiences of the organization, while only 4,7% of detractors experienced the same. Some promoters (16,8%) had both positive and negative experiences. The ones with no experiences formed only a small group of 1,4% of the respondents. Table 4. show the percentage of each category where the main findings are

highlighted. %Within my experiences, describes the percentage of the detractors, passives and promoters in the category of experiences. % Within Net Promoter score describes the percentage of each group separately.

Table 4. Cross tabulation experiences about the case organization and NPS

	Detractor	Passive	Promoter
My experiences are:			
mainly negative			
Count	25	3	0
% Within my experiences are	89,3%	10,7%	0,0%
% Within Net Promoter score	14,9%	0,7%	0,0%
neutral			
Count	46	63	33
% Within my experiences are	32,4%	44,4%	23,2%
% Within Net Promoter score	27,4%	15,7%	5,5%
mainly positive			
Count	10	165	468
% Within my experiences are	1,6%	25,7%	72,8%
% Within Net Promoter score	6,0%	41,1%	77,4%
both positive and negative			
Count	79	164	102
% Within my experiences are	22,9%	47,5%	29,6%
% Within Net Promoter score	47,0%	40,9%	16,9%
I don't have experiences			
Count	8	6	2
% Within my experiences are	50,0%	37,5%	12,5%
% Within Net Promoter score	4,8%	0,5%	0,3%

6.2.2 Word of Mouth (WOM) and Net Promoter score (NPS)

The respondents were asked questions if they had shared either positive or negative WOM and in different channels. Chi-Square test shows highly significant correlation between the variables ($p=0,000$). Altogether 93,2% of the promoters had shared some sort of positive WOM (PWOM), whereas 60,4% of

the detractors had shared PWOM. Passives were also eager to share PWOM while 83,1% of the passives had shared positive WOM. The difference between sharing positive WOM between promoters and detractors, comes with different channels of sharing. Respondents had to name 0-5 channels where they had shared PWOM. As detractors mainly had one or two channels of positive WOM, promoters had one to five channels where they had shared positive WOM. See Table 5. As it is important to know how much WOM is shared, it is also important to know where and what kind of WOM has been shared. Cross tabulation and Chi-Square was used to test these channels.

Promoters share positive WOM mostly in their own workplace (87%), straight to the organization (57,7%) and between family and friends (40,2%). Sharing in the public is not common, as only 3,8% of the promoters had shared PWOM publicly as electronic WOM (EWOM). Furthermore only 5,1% of promoters had shared PWOM publicly through media. Moreover Chi-Square test for sharing publicly and PWOM are slightly statistically significant in sharing through social media ($p=0,042$) and through traditional media ($p=0,037$). Detractors also share positive WOM as 60,4% of detractors had shared PWOM at least in one channel.

According to the data, sharing PWOM seems to happen in all three groups as 85,1% of all respondents had shared PWOM in some channel. Moreover the most PWOM had been shared in own workplace as 77,3 % of the respondents had shared positive experiences. Positive feedback given to organization was also quite common as, 49,4% of the respondents had given PWOM straight to the organization. Privately PWOM had been shared altogether with 31,0% of the respondents.

Sharing negative WOM (NWOM) was more common with detractors, as 69,2% of detractors had shared negative WOM, whereas 44% of promoters and 61,3% of passives had shared negative WOM ($p=0,00$). See Table 6. Altogether 53,5% of all respondents had shared NWOM. Detractors share NWOM mainly at their own workplace ($p=0,00$) as 59,8% of detractors had shared NWOM in their workplace. Detractors also share NWOM straight to organization as 34,9% ($p=0,002$) had shared NWOM as a negative feedback. Moreover 24,9% ($p=0,003$) had shared negative experiences with family or friends. Promoters also share NWOM, as 35,3% ($p=0,00$) had shared NWOM in workplace, 23,6% ($p=0,002$) as negative feedback for organization and 13,8% ($p=0,003$) to family and friends. Passives also share NWOM, as 52,9% ($p=0,00$) had shared NWOM in the workplace, 31,3% ($p=0,002$) had shared NWOM to organization and 16,4% ($p=0,003$) had shared NWOM with family and friends. Tables 5. and 6. show the amount off positive and negative responses.

Table 5. Cross tabulation of positives count + NPS

	Detractor	Passive	Promoter
Positives count			
0			
Count	67	68	41
% Within Net Promoter score	39,6%	16,9%	6,8%
1			
Count	58	135	166
% Within Net Promoter score	34,3%	33,5%	27,3%
2			
Count	33	143	222
% Within Net Promoter score	19,5%	35,5%	36,6%
3			
Count	8	52	153
% Within Net Promoter score	4,7%	12,9%	25,2%
4			
Count	3	4	18
% Within Net Promoter score	1,8%	1,0%	3,0%
5			
Count	0	1	7
% Within Net Promoter score	0,0%	0,2%	1,2%

Table 6. Cross tabulation of negatives count + NPS

	Detractor	Passive	Promoter
Negatives count			
0			
Count	52	156	340
% Within Net Promoter score	30,8%	38,7%	56,0%
1			
Count	54	121	128
% Within Net Promoter score	32,0%	30,0%	21,1%
2			
Count	38	93	102
% Within Net Promoter score	22,5%	23,1%	16,8%

3			
Count	21	30	36
% Within Net Promoter score	12,4%	7,4%	5,9%
4			
Count	4	3	1
% Within Net Promoter score	2,4%	0,7%	0,2%

6.2.3 Expectations towards organization and NPS

Expectations towards the actions of the organization were cross tabulated with NPS, and the Chi-Square was to test correlation between these two. Chi-Square test shows a highly significant connection ($p=0,00$) between expectations and Net Promoter score. From the promoters' point of view, 50,9% of the promoters would keep the organization's actions the same, while 36,1% would change something if they could. Of the detractors 72,7% would change something, and only 4% wouldn't change anything. Moreover more than a half of the passives (54%), see that they would change something in the organization as 20,6% would keep the actions the same. Table 7. Shows the cross tabulation of expectations and NPS in organizations. The percentages in Table 7. show are percentages of each category (promoter, detractors and passives).

Table 7. Cross tabulation of expectations towards the case organization* Net Promoter score

	Detractor	Passive	Promoter
My expectations towards the organization in the future:			
Operation should stay the same			
Count	6	77	293
% Within Net Promoter score	4,0%	20,6%	50,9%
I don't have have special expectations			
Count	35	95	75
% Within Net Promoter score	23,3%	25,4%	13,0%
If I could freely change the organizations operations, I would			
Count	109	202	208
% Within Net Promoter score	72,7%	54,0%	36,1%

6.2.4 Public image of the organization and NPS

Chi-Square test shows that the public image and NPS have a correlation ($p=0,00$). Promoters seem to have a mainly positive image on the organization, as 61,2% found the image of the organization mainly positive. Detractors had mainly neutral image (32,3%) and both positive and negative (23,4%). Some of the detractors (21,6%) had no clear image of the organization whereas the passives and the promoters had some image. Table 8. shows the cross tabulation of public image and NPS.

Table 8. Cross tabulation of public image and NPS

	Detractor	Passive	Promoter
What kind of image has the case organization acquired in public eye:			
most of the time negative			
Count	22	12	13
% Within Net Promoter score	13,2%	3,0%	2,2%
neutral			
Count	54	107	92
% Within Net Promoter score	32,3%	26,8%	15,3%
most of the time positive			
Count	14	153	368
% Within Net Promoter score	8,4%	38,3%	61,2%
Both positive and negative			
Count	39	86	90
% Within Net Promoter score	23,4%	21,6%	15,0%
no clear image			
Count	36	39	34
% Within Net Promoter score	21,6%	9,8%	5,7%
something else			
Count	2	2	4
% Within Net Promoter score	1,2%	0,5%	0,7%

6.2.5 Frequency on working with organization and NPS

Respondents were asked how often they work with the organization. The question was assessed on ordinal scale where frequency was measured. Respondents had to choose the frequency between weekly, monthly, yearly and

rarely than yearly. Chi-Square test shows a highly significant connection between the two variables ($p=0,00$). According to the cross tabulation, frequency has a little to do on promoting or detracting the organization, unless the frequency is rarely than yearly, it seems to have small effect on promoting. Only small percentage of promoters (2,8%) promote organization if the frequency is low and 10,8% of detractors detract the organization with low frequency. Table 9. shows that distribution of the contacts and NPS is spread equally, unless contact has been infrequent.

Table 9. Cross tabulation of I have contact with the case organization and NPS

	Detractor	Passive	Promoter
I have contact with the case organization:			
weekly			
Count	42	97	200
% Within Net Promoter score	25,3%	24,4%	33,4%
monthly			
Count	54	153	222
% Within Net Promoter score	32,5%	38,4%	37,1%
yearly			
Count	52	129	160
% Within Net Promoter score	31,3%	32,4%	26,7%
rarely than yearly			
Count	18	19	17
% Within Net Promoter score	10,8%	4,8%	2,8%

6.2.6 Job position on NPS

Table 10. shows the connection between the job position and NPS. Chi-Square test on Job position and NPS shows significant correlation between the variables ($p=0,00$). In the Table 10. % Within job position shows the proportions of the detractors, passives and promoters on same job position. Moreover % Within Net Promoter score shows the percentages of either detractors, passives or promoters. Analysis shows that within employees and experts the proportion of promoters is the largest, as 56,8% of the experts are promoters and 56,5% of employees are promoters. Top management has the most detractors (21,8%), whereas top management has also the least promoters (40,6%). Middle management has the

least detractors (10,0%). Table 11. shows the Net Promoter score in every job position as NPS is counted promoters-detractors= Net Promoters score.

Only 1,2% of the respondents were entrepreneurs, thus the sample size is too small to draw conclusions on entrepreneurs. Experts and employees score highest on the Net Promoter score, while among top management the Net Promoter score was only 18,8%.

Table 10. Cross tabulation of Job position and NPS

	Detractor	Passive	Promoter
Job position:			
Employee			
Count	23	54	100
% Within Job position	13,0%	30,5%	56,5%
% Within Net Promoter score	13,8%	13,4%	16,6%
Middle management			
Count	22	90	107
% Within Job position	10,0%	41,1%	48,9%
% Within Net Promoter score	13,2%	22,4%	17,8%
Top management			
Count	57	98	106
% Within Job position	21,8%	37,5%	40,6%
% Within Net Promoter score	34,1%	24,4%	17,6%
Expert			
Count	63	153	284
% Within Job position	12,6%	30,6%	56,8%
% Within Net Promoter score	37,7%	38,1%	47,2%
Entrepreneur			
Count	2	7	5
% Within Job position	14,3%	50,0%	35,7%
% Within Net Promoter score	1,2%	1,7%	0,8%

Table 11. Net Promoter score in job positions

	Promoters	Detractors	Net Promoter score
Net Promoters score on Job positions:			
Employee	56,5%	13,0%	43,5%
Middle management	48,9%	10%	38,9%
Top management	40,6%	21,8%	18,8%
Expert	56,8%	12,6%	44,2%
Entrepreneur	35,7%	14,3%	21,4%

6.2.7 Reputation and Net Promoter score

Reputation seems to have connection with NPS. To test the connection between reputation and NPS a Kruskal-Wallis test was made. Kruskal-Wallis is nonparametric analysis method that is used when sampling is not normally distributed as in this case. Kruskal-Wallis test shows a significant statistical connection between the variables ($p=0,00$). Descriptives (see Table 12) show that the most perceived reputational factor among NPS groups is trust. Other reputational factors come in following order: service, esteem, efficiency and authority. Trust factor received the highest scores amongst promoters (mean=4,46), passives (mean=3,96) and detractors (3,25). It's notable that promoters value all factors above the average, meanwhile detractors score the lowest in all the reputational factors. Passives score average in all factors except trust.

Table 12. Reputation factors and Net Promoter score

	N	Mean	Std. Devia- tion	Std. Error
Authority				
1. Detractor	137	2,3933	,67223	,05743
2. Passive	345	3,1630	,55173	,02970
3. Promoter	541	3,6732	,58075	,02497
Total	1023	3,3297	,72814	,02277
Esteem				
1. Detractor	138	2,8188	,59040	,05026
2. Passive	3334	3,4311	,46304	,02534
3. Promoter	530	3,9124	,54034	,02347
Total	1002	3,6014	,64701	,02044
Trust				
1. Detractor	162	3,2469	,75207	,05909
2. Passive	389	3,9596	,55456	,02812
3. Promoter	587	4,4583	,51995	,02146
Total	1138	4,1154	,70769	,02098
Service				
1. Detractor	158	2,7532	,61534	,04895
2. Passive	377	3,4984	,49757	,02563
3. Promoter	585	4,0482	,50996	,02108
Total	1120	3,6805	,68944	,02060
Efficiency				
1. Detractor	156	2,5064	,60490	,04843
2. Passive	374	3,1511	,57228	,02959
3. Promoter	584	3,7072	,62755	,02597
Total	1114	3,3523	,73958	,02216

7 CONCLUSION AND DISCUSSION

The aim of this research is to open a conversation of public sector reputation management in a new way. As Net Promoter score is still reportedly unknown concept in the public sector, this chapter enlightens the suitability and reasoning of public sector NPS.

In this chapter hypotheses are explained and the research questions answered. First the hypotheses are explained in the Table 13. Furthermore the explanations for the hypotheses and how they were drawn is opened in the section below the Table 13. Moreover this chapter gives a conclusion to the research problem and answers the research questions. Finally the implications and limitations to this study are discussed and suggestions for future research are presented. Furthermore this chapter unites the theoretical part to the results. In the Table 13. are the results to hypotheses and explanations.

Table 13. Hypotheses

Hypothesis	Status	Explanation
H1: Respondents with frequent contacts with the case organization promote more.	Disconfirmed	There was no significant difference in promoting between promoters and detractors.
H2: Detractors share also PWOM.	Confirmed	Most of the detractors had shared PWOM in some form.
H3: Promoters share also NWOM.	Confirmed	Most of the promoters had shared NWOM in some form.

H4. Passives don't promote or detract.	Disconfirmed	Most of the passives had shared either PWOM or NWOM.
H5: More feedback is given in regular WOM than SWOM	Confirmed	Most of the given feedback was given face to face in working place or with family. Only few of the respondents had shared WOM publicly in social sites.
H6: Low reputation scores are given by detractors.	Confirmed	Detractors scored lower than promoters or passives and gave low reputation scores
H7. Age is not a significant factor on NPS	Confirmed	Respondents age didn't correlate with NPS
H8. Gender is not a significant factor on NPS	Confirmed	Respondents gender didn't correlate with NPS

H1: Respondents with frequent contacts with the case organization promote more. According to Thijs (2011) frequent contacts might lead to more satisfaction (Thijs 2011), thus more satisfied customers would promote more. This seems not to be the case in the researched organizations, as promoting happened equally in all groups. Therefore this hypothesis is disconfirmed.

H2: Detractors share also PWOM.

East et al. (2011) found out that detractors had also shared PWOM (East et al. 2011). This hypothesis was tested in the data analysis and it seems that detractors in fact share both NWOM and PWOM. Thus this hypothesis is confirmed.

H3: Promoters share also NWOM.

According to the research it seems that NPS doesn't measure NWOM as well as it measures PWOM (East et al. 2011). Thus hypothesis that promoters also share NWOM was made. This hypothesis was confirmed, as it seems that promoters indeed share NWOM, although not as much as detractors.

H4. Passives don't promote or detract.

According to Reichheld (2003) passives are passively satisfied. Moreover passives were claimed not to promote nor detract. (Reichheld 2003.) It seems that public sector stakeholders are somewhat different in this matter, as passives were

more like promoters than detractors. Therefore this hypothesis is disconfirmed. Although the situation might be different in private sectors organizations.

H5: More feedback is given in regular WOM than SWOM

Latest researches show that consumers are less willing to give feedback online than by traditional WOM. This was explained by the perceived social risk, whereas SWOM was seen more risky. (Eisingerich et al. 2015.) Thus hypothesis to test this was made. It seems that more feedback was given rather face to face than in public or in social sites. Thus hypothesis is confirmed.

H6: Low reputation scores are given by detractors.

Reputation is a major driver for loyalty (Andreassen 1994) and NPS measures the loyalty of the customers (Reichheld). Thus a hypothesis was made to test if low reputation scores come from detractors. Hypothesis was confirmed, as detractors scored lower than passives or promoters. Furthermore detractors scored low in every category, except for one.

H7. Age is not a significant factor on NPS

One might think that age is a significant factor when it comes to promoting, but no researches were found to support this claim. Therefore a hypothesis was drawn that age is not a significant factor on NPS. This hypothesis was confirmed as there was no significant correlation between age and NPS.

H8. Gender is not a significant factor on NPS

The aim of this research was to find out who the promoters, detractors and passives in public sector are. Thus hypothesis was made to test if gender has connection with NPS. As expected gender had no significant correlation with NPS. Therefore this hypothesis was confirmed.

7.1 Discussion

7.1.1 Public sector Net Promoter Score

As mentioned Net Promoter score is used widely in the private sector but not many researches, if all, have been published on Net Promoter score in the public sector. The main reason for this seems to be that the public sector works differently than private sector. Public sector organizations are legitimate as long as their *raison d'être* is approved, whereas private organizations aim for profits. Reichhelds definition (2003) on loyalty describes the importance of NPS:

“willingness of someone – to make an investment or personal sacrifice in order to strengthen a relationship”. This statement enlightens the need of measuring the loyalty of customers, and in this case citizens. As the tools for measuring reputation are mainly developed for private organizations, public sector organizations also need one. Whereas private organizations seek to improve competitiveness and financial performance, public sector organizations seek mainly outcomes. These outcomes define why reputation management is, if at all, important to public sector organizations.

Word of mouth (WOM) is shared by citizen to another to pass advice or sharing opinions or venting the feelings toward the organization (East et al. 2008; Berger 2014). This sharing is happening in public sector, as in private sector. Word of mouth can be seen as action of Net Promoting. It can be either positive Word of mouth= promoting or negative word of mouth= detracting. The reasons of sharing WOM are crucial to understand when the closed loop in NPS is created. Berger (2014) proposes five functions of WOM which are; Impression management, emotion regulation, information acquisition, social bonding and persuasion. (Berger 2014).

Customer relationship management (CRM) is based on what organization knows about its customers(Pan, Tan & Lim 2006, 238). CRM itself is not a tool but more philosophy to research customers. Thus NPS can be seen as CRM tool and a part of CRM strategy of an organization. As a philosophy CRM seeks to find effective and long lasting relationships between customers. An organization learns from the customers they can create closed loop for Net Promoters score. Zablah (2004) recommend organizations to connect with stakeholders on daily basis to understand the needs of the stakeholders (Zablah 2004, 480).

According to Wæraas & Byrkjeflot (2012) public sector encounters five different problems in reputation management. These problems give us an understanding why and what is different in public sector organizations and can Net Promoter score offer help. Public organizations are established for a reason and they stay that way as long as their *raison d'être* is not questioned. Public agencies might be used as political tools to gain favor of citizens. Although it might not always be the actions of the stakeholders or the organization but the scarce resources that lead to poor performance. Reputation measuring by using Net Promoter score might give the organizations something to hold on or to give the politics a statement. As the reputation might suffer from political reasons or any other reason, pursuing an excellent reputation isn't the best way to go.

On reputational aspect public sector needs reputation management tool. As many of the tools are designed for corporations such as NPS, public sector needs its own tool. Whereas reputation management is different in public sector (Luoma-aho 2007; Wæraas & Bjyrkeflot 2012) NPS needs to be adapted to public

sector differently. Luoma-aho (2007) proposes the ideal reputation level for public sector organizations, where the objective is not to seek superior reputation but more neutral reputation (Luoma-aho 2007). Therefore this research presents public sector Net Promoter score (PSNPS). Stakeholders with positive engagement are called faith-holders and stakeholders with negative engagement are called hateholders (Luoma-aho 2015). Promoters can be seen as the faith-holders in organizations, and detractors on the contrary, can be seen as hateholders. According to the data analysis, passives are more likely to promote than detract. Furthermore passives had mainly neutral image of organizational reputation. Thus in public sector organizations where neutral reputation or better is the goal, it is proposed here, that in public sector NPS the stakeholders would only be divided into 2 groups: faith-holders and hateholders. As the passives actions are more promoter like or rather neutral than detracting. Therefore proposed PSNPS is formed in following sum: $\text{faith-holders\%} - \text{hateholders\%} = \text{PSNPS}$. See Figure 7. According to East et al. (2011) NPS measures only positive WOM and whereas detractor wouldn't promote, it doesn't mean that they would spread NWOM (East et al. 2011). As detractors are also seem to promote the PSNPS measures only the positive WOM. PSNPS was counted in the examined organization, thus $\text{faith-holders\% (85,66\%)} - \text{hateholders\% (14,33\%)} = 71,33\%$. PSNPS of the researched organization is 71,33%.

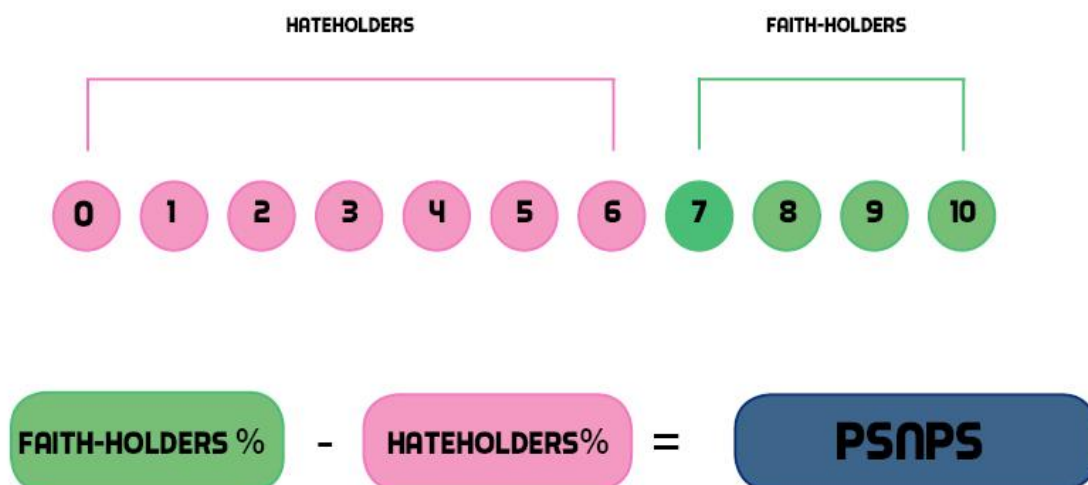


Figure 7. Proposed public sector Net Promoter score by author (2016)

7.1.2 RQ1. What characteristics do public sector promoters have?

Promoters are the faith-holders of the organization. According to Reichheld (2003; 2011) promoters are loyal customers that promote the organization

willingly and with enthusiasm. (Reichheld 2003; 2011). According to the results it seems that promoters are indeed more enthusiastic and loyal to the case organization. The results indicate that there is difference between promoters, passives and detractors. Promoters overall gave better score than detractors in every variable tested in this research. As promoters are the ones that promote the organization, they seem to do it in every category. Promoters' experiences about the case organization were mainly positive. Furthermore none of the promoters had mainly negative experiences with the case organization. Altogether 77,3% of the promoters had mainly positive experiences of the case organization. It seems that stakeholders with positive experiences are mainly promoters.

Promoters are also eager to share WOM as 93,2% of promoters had shared positive WOM (PWOM). Promoters are also sharing negative WOM (NWOM), as 44% of the promoters had given negative feedback in their workplace, as a feedback to case organization and to family and friends. It seems that promoters are not only promoting, but also giving negative feedback. It seems that the promoters are more willing to give any kind of feedback more than detractors. Although promoters share PWOM and NWOM, they share it more private than in public. Within promoters it was uncommon to share PWOM publicly via media, but even more uncommon through social media. Promoters share PWOM mainly in their own workplace and as feedback to the case organization.

Half of the promoters wouldn't change a thing in the case organization, while 36,1 % of the promoters would change something. In overall, promoters are quite satisfied with the situation in the organization. Moreover promoters see the case organizations image mainly in a positive way. According to the statistics, frequency was not relevant in promoting, when promoter had been in connection with the case organization within one year. Stakeholders don't tend to promote if they work with the case organization rarely than yearly. Conclusion to frequency and promoting seems to be relevant in a years range.

Promoters can be found in any job position, but the counted Net Promoter score on every job position shows quite a difference between the groups. The highest Net Promoter scores were received among experts 44,2% and employees 43,5%, but also middle management scored 38,2%, which is relatively high. Furthermore entrepreneurs don't seem to promote and seem rather passive, but this is probably caused by the small sample size, as only 1,2% of the respondents were entrepreneurs. The NPS of top management was only 18,8%, which is low compared to other job position. Top management had many promoters, but also many detractors.

Promoters see the organizations reputation in more positive way than detractors and passives. Promoters find the case organization mainly trusted. In conclusion the characteristics of promoters in the public sector are quite clear.

Promoters value the case organization better than detractors in every tested category. Age and gender seems to be irrelevant part of promoting. Promoters are eager to give feedback to the organization whether it's positive or negative. As publicly shared negative feedback might be harmful to the organization, it seems that promoters hold off their ground and don't share negative feedback to public. Explanation for this might be that employees are under confidentiality agreement as the case organizations are governmental agencies. Promoters are the ones with positive experiences and with positive expectations towards the case organization.

7.1.3 RQ2. What characteristics do public sector detractors have?

Whereas promoters had mainly positive experiences with the case organization, surprisingly the situation with detractors is not the opposite. Although detractors tend to detract more, it seems that detractors aren't as negative as thought. Only 14,9% of detractors had mainly negative experiences. Detractors had either neutral or both negative and positive experiences with the case organization. Surprisingly 60,4% of detractors had shared some sort of positive WOM. On the contrary detractors still detracted, as 69,2% of detractors shared negative WOM. Detractors NWOM can be seen as emotion regulation, as much of it happens in the workplace.

Detractors also give feedback to the case organization in NWOM, whereas some share NWOM with family and friends. NWOM via media and social media is not common, as only few of the detractors had shared something publicly. Furthermore 72,7% of the detractors wanted the organization to make some changes.

Public image seems to have a connection to detracting. Detractors had positive, negative and neutral images of the case organization, but the large percent had no clear image of the organization, whereas passives and promoters had some image. Based on this statistic, it seems that the a vague public image may lead to detracting. Frequency on connection with the case organization seems to have no effect on detraction. Surprisingly top management seems to detract more often than other job positions. Net Promoter score among top management was only 18,8% which is low compared to other job positions. As top management respondents had less promoters and most detractors, it seems that top management is more eager to detract than the stakeholders at other positions. On reputational factors detractors valued trust the highest but scored relatively low in every factor.

In conclusion detractors seem to be more negative and value the case organization less than promoters and passives. Surprisingly detractors don't only detract but also in some cases promote and give positive feedback. The latter shows that detractors aren't always bad but can be considered as feedback givers. Eventhough detractors give also positive feedback the negative WOM still might harm the organization. As stated above 69,2% of the detractors have already shared NWOM and might do it in future if the organization doesn't change.

7.1.4 RQ3. What characteristics do public sector passives have?

According to Reichheld (2003; 2011) passives are passively satisfied that don't give the organization much. Passives might recommend the organization but are not enthusiastic (Reichheld 2003; 2011). In the context of the employees of public sector the role of passive is somewhat different. In fact the results show that passives had more positive than neutral opinions, but also a large amount of both negative and positive experiences. When it comes to the WOM passives are sharing NWOM as much as promoters but don't share as much PWOM. Moreover passives tend to tell less about positive or negative experiences. Passives seem to want the change more than promoters. Similarly to promoters passives seemed to have a clear image of the organization, whereas detractors had vague image or no clear image. In reputational factors passives scored neutral, except the trust factor.

In conclusion passives in the public sector seem to act more like promoters than detractors. Thus it seems relevant to categorize passives as faith-holders in PSNPS.

7.2 Implications and limitations of the study

There are some implications to this research. Net Promoter score is used in private sector and it could be more used in public sector. Although it seems that NPS measures only positive word of mouth, it is still used in the private sector. Thus it seems that the implications might work also in public sector context. Satisfaction and reputation measuring should be done in public sector and this research seeks to provide a new tool to measure this. This research presented PSNPS tool that could be used in public sector organizations instead of traditional NPS. This research is a first to introduce PSNPS and is reportedly the first NPS tool made specifically to public sector organizations.

On the other hand this research implicates that NPS is not to be fully trusted in every context. Although it has been effective in many cases, some limitations of its use are crucial. If NPS is adopted by a public sector organization, the organizations must remember that it is limited to measure only positive word of mouth. This also implicates that measuring negative word of mouth in public sector context and in NPS is needed.

There are many limitations to this research. First the research is still one of a kind and needs more theoretical background on public sector perspective. Moreover no experiences or research on NPS in public sector has been reportedly found. The results of this research need more testing and more research on the topic is needed. The sampling in this study was large enough, but in first place the questionnaire was made to measure reputation in public sector. Although the topics are closely related, the basic principle of measuring NPS is keeping the questionnaire short. Questionnaire was not made by the author and theory was built around it afterwards. Thus questionnaire didn't fully match the theoretical basis of NPS study. Respondents in this research weren't only citizens but stakeholders of the case organizations. Thus implications are somewhat limited to stakeholder context. Even though the respondents were stakeholders, this research opens a conversation to use of Net Promoter score in public sector organizations. In theory NPS was seen good only when measuring positive word of mouth. In this case PSNPS might only work as a tool to measure PWOM.

Statistical analysis was used to discover the elements of NPS in public sector. The research data was collected beforehand, thus analysis methods used in this research weren't the best possible, where the more advanced statistical methods weren't used. This is also a limitation to the research. Thus causalities can't be generalized of this analysis. Furthermore the research lacks cluster-analysis which could have helped the research. In the end the collected data didn't fully match the topic and made . The theoretical basis and critique of NPS suggested some implications that weren't available in the data. Now the answers were sought from data that was not constructed by the researchers theoretical basis. Thus the researcher could have asked respondents different questions and might have kept the questionnaire shorter, as the principle of NPS is.

In the data NPS was tested on scale 1-10, whereas the traditional NPS scale is tested on scale 0-10. As the scale itself is not important when measuring NPS, this seems to have no effect on the results of this research.

7.3 Future research

This research was one of the first researches on NPS in public sector and gives only the idea of the topic. As the questionnaire was not made for measuring NPS itself and contained some unrelated questions on the topic. In future more NPS oriented research is needed. Whereas NPS questionnaire consists only with a few questions. In future more case studies are needed in public sector organizations, where NPS strategy has been implemented and tested in real organizations. Moreover the respondents in this research were not only customers but people working with organization. Thus more research with citizens, customers or users of the services is needed.

NPS itself needs more research, as it seems to measure only positive word of mouth. A question to measure NWOM could be used in NPS, i.e. *“how likely would you tell about your bad experiences of organization to friends or colleagues”*

More research still needs to be made with this topic even with the same sampling but with different questions. This research gave a glimpse of the characteristics of promoters, passives and detractors, but with improved questions more can be found.

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Next we ask you to tell about your understanding about the organization

My experience about organization are mainly:

- negative
- neutral
- positive
- both positive and negative
- i have no experiences

I have told about **positive** experience about the organization

(choose all the alternatives that describes your actions):

- Straight to the organization (via contact persons, representatives or feedback channels)
- privately (to my friends, family)
- in my work place (colleagues or supervisor)
- publicly (in social media)
- publicly via media (i.e. radio-, TV or newspaper interviews or writings)
- i haven't told about my positive experiences to anyone
- i don't have positive experiences

I have told about **negative** experience about the organization

(choose all the alternatives that describes your actions):

- Straight to the organization (via contact persons, representatives or feedback channels)
- privately (to my friends, family)
- in my work place (colleagues or supervisor)
- publicly (in social media)
- publicly via media (i.e. radio-, TV or newspaper interviews or writings)
- i haven't told about my negative experiences to anyone
- i don't have negative experiences

My expectations towards the organization in the future

- operations should stay the same
 - i don't have special expectations
 - If I could freely change the organizations operations, I would change:
-

What kind of image has the case organization acquired in public eye?

- most of the time negative
 - neutral
 - most of the time positive
 - both positive and negative
 - no clear image in public
 - something else, what?
-

In the choose the information about yourself for statistics.

Gender:

- Male
- Female

Age (in years)

_____ years old

I have contact with the case organization:

- weekly
- monthly
- yearly
- rarely than yearly

Feedback for the questionnaire:

Thank you for your valuable help!