WHAT'S YOUR CUSTOMER ENGAGEMENT SCORE?

A STEP-BY-STEP PROCESS FOR CALCULATING YOUR CUSTOMER ENGAGEMENT SCORE.

Authored by Ed Murphy; published June 8, 2023

In his recent blog post, [Boost Business Success: Measuring & Rewarding Customer Engagement is a Game Changer](), ImprintCX advisor [Joseph Michelli]() explores the role customer engagement *(as opposed to customer satisfaction)* plays in predicting and driving repeat business and referrals. Customer Engagement Score (CES) is a measure often used to measure SaaS business success, but not widely used across other industries. As Joseph outlined, Customer Engagement refers to the level of involvement, interaction, and emotional connection customers have with your company. It includes customer perceptions and behaviors across all touchpoints, including their experiences with products, people, and technology.

Why is customer engagement so important?

Simply put, highly engaged customers are a reliable source of revenue as they are more likely to repeat purchases, while disengaged customers show little to no interest in your products, purchase less and may churn.

Unfortunately, there is no straight-forward, single metric calculation for Customer Engagement like NPS. Your customer engagement score must be **tailored to your business**. This means you need to consider and evaluate all factors that affect your customer engagement.

> *"I haven't found a company that can consistently deliver outstanding shareholder value that does not do a better job than competitors at making customers happy... Happy customers come back for more and refer their friends."*
>
> Fred Reichheld

If you aren't sure where to start, here's a step-by-step process for calculating your Customer Engagement Score:

1. Define your engagement activities!

The first and the most important step of calculating your Customer Engagement Score is defining your engagement activities. That is, how do your customers engage with you? Look across your customer journey.

Looking across your customer journey, engagement activities are unique for each business. Some may be:

- Email communication open rate
- Product usage or purchase frequency
- Call center contact frequency
- Subscription plan renewals and upgrades
- Engagement with key product features

2. Track all engagement activities

Once you've defined your engagement activities, it's crucial to track them across the customer journey. Different approaches should be used depending on the activity, such as quantitative surveys, usage data, or email open rates.

3. Assign value to every engagement activity

Remember that not all engagement activities have the same weight. Some engagement activities may be more meaningful than others. You will need to assign value to each identified engagement event.

Typically, customer engagement scores are measured on a scale from 1 to 100, so you will want the total possible CES to add up to 100.

4. Calculate your customer engagement score

This is the easy part, simply add your engagement values together for each customer to get their customer engagement score.

> **Customer Engagement Score (CES) =**
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> Total Activity Value #1 **+** Total Activity Value #2 **+** Total Activity Value #3 **+** Total Activity Value #4 **+** All Other Activity Values

What is a good Customer Engagement Score?

The higher the score, the stronger your engagement. Ideally, you want your score to be close to 100.

> *"High customer engagement suggests your customers are "happy and invested" in your business."*
>
> Joseph Michelli

You will need to analyze your scoring, but a general rule of thumb to interpret customer engagement scores is:

- CES between 0-40 – Very disengaged customers, most likely to churn or purchase more frequently from others
- CES between 41-75 – Somewhat engaged customers, usually purchase from a mix of competitors, may churn if a better value found
- CES between 76-100 – Very engaged customers

In summary

To drive increased engagement, growth and business success consider asking the following questions or similar questions to identify customer engagement drivers:

- What type of customers have the highest customer engagement score?
- What value do your highly engaged customers receive from your product?
- What are the main differences between your highly engaged and disengaged customers?

Customer engagement is a differentiator that will set your organization apart. Here at ImprintCX, we understand the keys to successful CX programs and can support you along the way. Let's get started.

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Co-founder and President of ImprintCX, a modern marketing and customer experience services company. Ed has achieved a very successful career by building relationships and providing innovative solutions to meet clients' needs. With over thirty years as a global researcher, management consultant, and business leader, Ed brings his experience, expertise, and passion to every consulting assignment. To learn more about ImprintCX contact Ed at Ed@imprintcx.com.

ImprintCX is a modern marketing and customer experience services company that seamlessly combines insights, consulting, and activation into one integrated offering. The company is powered by sophisticated analytics, deep human understanding, and design thinking to help organizations develop and deploy retention and lifetime value strategies for their high impact customers. Collectively, the ImprintCX team has developed and lead hundreds of customer experience transformations for Fortune 500 companies such as Mercedes Benz, Honeywell, Pizza Hut and Walmart.com.