29 Creating a guarantee

What is a guarantee?

A guarantee is an offer you make to your customers that reduces or takes away the perceived risk of making a purchase. When anyone decides not to buy your product or service their perceived risk may be

- making the wrong decision
- losing money
- not receiving what they have paid for
- not being satisfied and then not being able to get their money back.

Why is a guarantee important?

Whilst these perceived fears may be overcome during your sales presentation or consultation process, the offer of a rock solid guarantee can give your customer the security they need to go ahead sooner rather than later. A guarantee can make it less threatening to consider your offer. The right guarantee can motivate a potential customer to take the risk as opposed to consider it. This can dramatically increase the speed of your sales cycle. Typically an unsatisfied customer tells nine people about their experience but with a guarantee that gives an unsatisfied customer an immediate get-out, this can be dramatically reduced.

Your challenge

Your challenge is to embrace a strong guarantee. Do not be afraid to offer the best promise that you can live up to. The chances are that hardly any customers will take you up on it. Think about how often any of your existing customers have asked for their money back or complained.

What makes a guarantee successful?

A strong guarantee can draw attention to your confidence in your product or service. If it is really powerful it can inspire action. It needs to be a guarantee that you are completely comfortable delivering. It needs to completely take away any perceived risks of purchase. It needs to demonstrate full confidence in your service. It should be specific and include full claim details. It needs to be both meaningful and measurable.

Your guarantee could be your unique selling proposition and attract a lot of attention to your business.

Sample guarantees
Internet based survey software company offers you the opportunity to try their service free of charge for a full 30 days completely free of charge.

Business growth workshop – guarantees to refund the full 100% course fee at lunch time on day two if not completely satisfied.

Business consultant guarantees to pay his consultancy fees back in full if his clients do not make an additional £12,000 within 12 months of using his service and implementing the actions set.

A company selling e-books and CDs guarantees full 100% money back in addition to allowing you to keep the products.

GUARANTEE CREATOR – SPECIAL RESPONSE CHECKLIST

- Look at your competitors' guarantees and note down any really good ones.
- Guarantee strengths. What do you do particularly well that you know your customers value? Would you be able to guarantee any of it 100%?
- Guarantee results. Look at all the problems your customers want solutions to. What are the results that are most important to them? Could you guarantee any of these results?
- Choose a financial payback that has high perceived customer value. Could you exceed even the 100% money back guarantee and offer to compensate them for their time and effort in going through the buying process with you?
- Consider how you could make your guarantee memorable.

How to use this information

Your guarantee can be one of your most powerful marketing tools. Once you have created one you think has impact you need to test it. Measure its impact on your conversion rate. Integrate your guarantee into every piece of sales and marketing literature you have.

How you word your guarantee will make all the difference. Here are some strong words and phrases that will add some power to the communication of it.

- Unconditional money back guarantee.
- We stand behind our promise of . . .
- My 110% 'call me crazy' guarantee.
- Absolutely no risk to you.
- 100% no hassle, no-questions-asked refund.
- I personally guarantee.
- 100% on the spot refund.
- Better than risk free.

Think guarantee and take away buyers' reservation