

WORK BOOK FIVE



BENEFITS OF OFFERING A GUARANTEE

LEARN HOW THE BENEFITS OF OFFERING A GUARANTEE

CAN HELP YOU TO SECURE MORE CUSTOMERS



COACHING ACADEMY SPECIALIST
Where Small Businesses Grow

The Benefits Of Offering A Guarantee

“Before dreaming about the future or marking plans, you need to articulate what you already have going for you ”.

Reid Hoffman, co-founder LinkedIn

Offer an irresistible Guarantee

People prefer to do business with people they ‘**Like, Know and Trust**’. If you haven't done business with this person/company before it is possible that an element of doubt exists.

They may not question your honesty or integrity, they might just be doubting their own judgement on the suitability of your product or service for them at this time.

The best sales people, ask loads of questions, and it is these questions that give the prospect the confidence he or she needs on the suitability of the product/ service to meet their needs.

If you go to your doctor with a headache and he very promptly prescribes Paracetamol. Would you not be more impressed with the prescription if the doctor tried to establish the cause of the headache first.

Remove the risk and make sales.

A powerful ingredient to supporting credibility or conviction is to offer an irresistible, no risk, 100% money back Guarantee.

Experienced marketers know: People's resistance to buy is always high.

We're conditioned that way—to be wary. Just think of those times you may have been burned on some purchase. This kind of experience sticks in the minds of buyers. They remember the sting of “That bad deal”

Also, many people believe that advertisers often stretch or bend the truth. We're taught from the time we're young to be careful what we sign, and to ‘caveat emptor’ let the buyer beware.

The trouble is, when somebody like you is offering a product of true quality and solid benefits, easily worth the price you're asking, you still have to deal with that same healthy scepticism.

The Benefits Of Offering A Guarantee/ Continued....

Put them at ease

Therefore, you have to overcome natural resistance to buy. The more you do to put prospects at ease, the more they will buy from you. The primary way to eliminate this perceived risk is to reverse that risk onto yourself.

That most often means an unconditional money-back guarantee. You get the product back and the customer gets their money back—that's it! Of course, you also need to really sell the guarantee and make the customer know for certain that they are risking nothing by doing business with you.

30 day Guarantee

Some sales organisations will often offer a 30 day guarantee, suggesting that surely 30 days is long enough. This implies, if the customer fails to return the goods within 30 days, they have missed the boat and the money back guarantee no longer exists. The danger with this is that there is a danger that the customer will feel aggrieved by missing the cut off date by a few days.

Life-time guarantee.

So why not offer a life-time guarantee?? This way the customer will feel relaxed into knowing that he has a life-time to exercise his right. Will this cost you a great deal? Certainly not. There is ample evidence to support the case that this will help increase sales significantly.

The Benefits Of Offering A Guarantee/ Continued....

Delayed Payment

There are other ways to reduce resistance to buying. One of the best is delaying payment—letting the customer buy now and pay later. You've probably seen some furniture sellers and computer stores offering deals like this: "No payments and no interest for 6 months!" You may not want to go that far, but it certainly works to stimulate sales.

A stronger guarantee is to offer the product on a validation guarantee. In other words, they only pay if it does what you say it will do.

Still another way to reduce buying resistance is to make buying easier for the customer by offering multiple payment methods. Credit cards, payment plans, no money down, personal cheque, cash—the more ways you let them buy, and the easier you make it, the more ways they will buy.

Better than Money Back.

One of the very best forms of guarantee is the 'Better Than Money Back' or "Better Than Risk Free".

This works by not only offering the customer their money back but also they get to keep any bonuses or 'freebies' that were offered with the product or service. These bonuses should be low cost to you but high perceived value to the customer.

So, when initially making the offer, you should also articulate the value of the bonuses, i.e. 'When you buy this product you'll also get these bonuses worth over £130 and even if you decide to get your money back you'll still get to keep the freebie and be £130 better off just for trying our product'.

One FREE round of Golf To 'Try Before You Buy'. Worth £50

Why Give All This Away?

A lot of businesspeople just don't like the idea of a "no questions asked" or "better than risk free" money back guarantee. It scares them. They think they'll be taken advantage of by unscrupulous buyers, and yes, it does happen.

But the bottom line is this: Your sales will increase so dramatically when you offer surprisingly risk-free buying options, your profits will more than cover that small percentage of sales that obligate you to honour your refund offer.

Also, when you treat customer's right, they will come back to you again and again, even if they initially ask for a return. They'll know you're an honest dealer and you stand by your product and by your word. That kind of reputation spreads fast, and that means lots of positive word-of-mouth advertising which brings a lot of new customer referrals.

Also, if you are offering true quality and are delivering on what your advertising promises, your return rates will be small.

So sell quality and reverse the risk back it up with an iron-clad guarantee. It works!

There Is Still A Cost

It is so easy to say 'a 100 % money back Guarantee' means there is no cost to the prospect? But we should be aware that for most business people there may well be a cost as follows:

- The time invested in considering the offer.
- The nuisance factor of buying and then cancelling or returning the goods.
- The potential damage to the goodwill between both parties through cancelling.
- Loss of some decision-making credibility to the buyer.
- The difficulty in having to justify the unsuitability of the product or service.
- Having to research and find a replacement product.

Risk Free + Loss+ Gain

So having made the risk-free, money back guarantee, this should immediately be followed with the suitability and reliability of the product or service.

In ideal circumstances, we should be able to advise, how infrequently we have to process a cancellation.

We can make these generous guarantees as we rarely have to honour them. I am convinced that this product/service is ideally suited for you and you will not be seeking a refund.

People are more motivated to avoid pain than to gain pleasure. So we should remind the prospect of the 'Pain' or 'Loss' they will suffer if they don't buy the product.

We should then support the fear of loss with a list of the benefits they will receive when they buy the risk free, **100%. Money Back Guarantee**, product.

Creating Desire

Make them want what you've got to offer. After generating interest you then need to "hit" the prospect with the benefits of your product or service to increase desire.

Tell them specifically what he or she is going to get and what it means to them.

And explain what could happen if they don't get your product or service.

Limited availability of your offer

- Offer extra discounts for fast response, penalties for slow response.
- Have limited quantities on offer.
- Give a reward, premium, or bonus for quick reply.
- Mention what they'll gain from acting now.
- State what they could lose through delay.

Success story and Positive Mental Attitude

Walt Disney

Before he became the legend that he is today, this man was struggling to make ends meet. In 1919, while working for a newspaper, he was fired by the newspaper editor because he “lacked imagination and had no good ideas.”

In January 1920, he formed a short-lived company with another cartoonist.

However, following a rough start, he left temporarily to earn money at the Kansas City Film Ad Company. He was soon joined by Iwerks, who were not able to run their business alone. Later, though he acquired his own studio which was successful, although the studios profits were insufficient to cover the high salaries paid to employees. The studio became loaded with debt and wound up bankrupt. After that, he decided to set up a studio in the movie industry’s capital city, Hollywood, California.

He created Oswald the Lucky Rabbit. Oswald, which was one of his first huge successes in the cartooning business. At that time, he was only receiving a 20 percent cut on his films and was ready to negotiate for a higher percentage since he was barely earning.

He received another setback when his producer stole the character, and also stole his animation crew by negotiating contracts with them. His producer thought he would cave-in and work with the mere 20% he was paid.

Success story and Positive Mental Attitude

Walt Disney/Continued....

While most people would pack their bags and return home crying, or work for minimum wages, this dauntless young man went on to create his most successful cartoon character **EVER – Mickey Mouse**.

Yes, ladies and gentlemen, this amazing person is none other than the entrepreneur, cartoonist, animator, voice actor, and film producer Walt Disney.

Reportedly, he was also told that Mickey Mouse would not work since a huge mouse on the screen would terrify women. Well, it seems that women were not scared, for this mouse has continued to share his story on screens all over the world, even today.

He did not let a string of failures overcome him, standing strong even through his toughest times. There must not be a single person who does not know Disney, or hasn't heard the name "Disney".

**DON'T FORGET TO WATCH THE
"GUARANTEES" VIDEO.**