

Remove the risk completely

Every time a customer buys from you they are taking a risk. If you reduce or eliminate those risks, it makes it far easier for them to do business with you and your sales will soon grow dramatically.

If you're good at what you do, offer good products, etc. there shouldn't be any problem in guaranteeing what you sell. It's critical that you or your product is good. If you don't have a good product or service or you get lots of complaints about it, you need to solve that problem before you start using risk reversal.

Here is an example of risk reversal from a horse dealing business...

A couple wanted to purchase a pony for their daughter. They went to one dealer who said if the pony she chose wasn't right, she could bring it back and exchange it for another. The price of the pony was £1,000. This is commonplace amongst horse dealers and is their idea of risk reversal. The customer is still locked into having to get another pony from that dealer.

Compare this to what a horse dealer who really understands the full extent of risk reversal...

The dealer says...

"It's important your daughter is happy with her pony in every way. Please take the pony, let your daughter look after it and try it out for two weeks. I'll provide you with the hay to last during this period. If your daughter is happy with it, pay me for it then. If not, I'll come and collect it, and tidy out your stable".

This dealer knows the pony is a good pony, there is a trial period and there's nothing to pay until completely happy. The dealer also understands that once the daughter gets the pony home, she's going to fall in love with it. Even if the price was more at £1,250, which one do you think the parents would choose to buy from? That's the power of great risk reversal.

Proper risk reversal gives you the competitive advantage to outsell your competitors many times over.

Another example of fantastic risk reversal is a publication that offers to give a refund and buy you a subscription to a competitor's publication if you are dissatisfied with them. It's fair to say that the publisher has a good product and are very successful at what they do. Their product may be similar to competitors but by providing such a guarantee they are completely differentiating themselves from those competitors.

The additional benefit of offering such guarantees is that it makes people think you must be good, or you wouldn't offer them.

To find your guarantee(s), look at what your customers want to hear, that no one else dares to make and then fulfil it better than any of your competitors.

Think about what your clients get and want from your service, how they would suffer if they didn't have it, what common objections, or irritations they may have about your industry. Then work out how you can guarantee this for them.

Common objections are cost and they won't get the result they are expecting.

Also look at what guarantees your competitors are offering. Often they aren't but if they are, just figure out how you can make your guarantees even better.

A few other examples of guarantees...

- Try us for 3 months and if you're not completely happy, there's nothing to pay - no questions asked.
- You only pay for the new clients we get for you, however much it costs us to get them.
- Taxi to your door in 15 minutes or the ride's free.
- If your accounts aren't ready in 21 days, there's nothing to pay.
- TGI Fridays guaranteed that if your food wasn't on the table in 10 minutes, you don't pay.
- If you aren't completely satisfied with the product, return it at any time in the next 30 days and get your money back.

The more you offer, the more meaningful the guarantee. For example, with the last guarantee it would mean more if the customer didn't have to pay until the 30 days were up and you paid the return carriage. How far you go or is sensible will vary from business to business and what you are selling but the further you go, the more impact it has.

Guarantees make customers feel comfortable doing business with you and make it easy for them to do business with you.

To add credibility to your guarantee it helps to explain why you are offering it.

Are you worried customers will take advantage?

You can't guarantee that you'll never get a customer take advantage but what has been proven time and time again is that if you offer a good product or service the additional sales from offering proper risk reversal will outweigh any downside many times over.

Powerful risk reversal can increase sales by 300% and the attrition rate will rarely exceed 5%.

The vast majority of people buy for perfectly good reasons. They want a good product, not to take advantage of your guarantees.

To improve the power of guarantees...

- Write the guarantees positively, such as the following camera example...
- "if you don't think it's the sharpest picture ever..." **rather than** "if you think it's a poor quality picture..."
- Look for guarantees that can be measured and be specific.
- You can improve the impact when writing the guarantee by saying it twice...
"Receive a full 100% refund of every penny you paid"
- Call it a Free Trial Offer - return it in 90 days or your money back.
- Try not to put any conditions on your guarantee or it will take away from the power of it.
- The longer the time period the guarantee relates to, the more powerful it is.
- Offer better than risk free guarantees. Acknowledge the value of people's time and faith by offering an extra reward on top of their money back.

So take your guarantees and write them to WOW your customers.

How we can help you

For further help in writing your guarantee, please contact us.