

CHAPTER FOURTEEN

Guarantee Magic: How To Create Win-Win Guarantees That Take The Risk From Your Prospect, & Shoot Your Response Through The Roof!

You know credibility is important to the success of your ads. In my opinion, there aren't many things as powerful as a guarantee for increasing the credibility of your sales copy. If you're not offering a guarantee on your products and services, you need to start doing it right away!

A powerful guarantee is a key opportunity for increasing both sales and profits.

The challenge for most businesses is believing enough in their products to offer a guarantee, and announce it in all the ads they create. What happens is this: they're scared to use a powerful, "obvious" guarantee because they're worried about being ripped off.

They end up not even having a guarantee—or they don't tell people about it. If you do this, I will guarantee you're losing sales left and right that you could've had!

Don't do it!

Offer a powerful, no-questions-asked guarantee. It will boost your credibility and take the risk from the buyer and put it on your shoulders... and that's a good situation!

It's so important to take the risk of the purchase onto your shoulders—this makes it so your prospect has no reason not to buy.

They are motivated when they're on the border line of ordering. You know, they're thinking of buying—but they're just not sure if the risk is worth it. Without a guarantee of any kind (or worse yet, a wimpy guarantee!) —they won't order.

But... what if there had been a powerful guarantee like this one:

"Remember, you have absolutely NO RISK when you order—try these 'Magical Health Insoles' for 90 solid days. If by that time you haven't seen health miracles in your life, simply return them to us. You will immediately get a complete, no-questions-asked refund! No hassles, no headaches, and we'll part friends!"

This guarantee out and out tells the prospect in no uncertain terms, they have no risk. People like that very much.

They want to feel confident that the decision they're making is right... and the guarantee appeals to their logic. Your ads must appeal to both the emotional side and the logical side of your prospect's buying decision.

The emotional side is where all the passion comes in—where you get your prospect excited and picturing himself using your product and enjoying the benefits of it.

The logical side is based mostly on your guarantee. The prospect sees the guarantee and says, "Besides, if I don't like it, I can get my money back with no hassles... there's no chance I can get ripped off!" This really appeals to the logical side of your prospect's decision to buy—it helps him to "justify" the purchase to others.

I've found myself doing this with my wife. She'll ask me, "Why'd you buy that?" And it's easy for me to come back with reassurance like this: "Oh don't worry about it—if we don't like it we can send it back—it has a 90 day guarantee, so just relax."

If you position your guarantee the right way, it will offer a tremendous amount of credibility to your ad, and thus increase response.

But, as I mentioned earlier, you must feel that your product is good enough to guarantee. If you don't feel that way, why should a total stranger feel it is good enough to buy?

You must understand that people are almost scared to buy today—especially when it comes to large purchases of \$100 or more online or through the mail.

Your prospects are afraid of making the wrong decision. By offering a guarantee, and by reversing the risk of buying, you'll get double or triple the business you'd get without taking on that risk.

Consider this: if a customer brings your product back and wants a refund, wouldn't you give him back his money anyway? If so, why not announce it in every ad, flyer, brochure, business card, etc. that you use? It makes sense doesn't it?

Risk Reversal

Now, let's take a quick look at what I mean by "risk reversal".

When a prospect looks to buy your product or service, someone takes a risk—either you, or the prospect.

I believe that you or your company should take the risk, not the prospective customer. By taking all the risk off the buyer and assuming it yourself, your offer is about 20 times more powerful than otherwise. Honestly, when a company reverses the risk and assumes the risk for the customer, double or triple sales increases are the typical result.

People today, in general, are better/smarter buyers than they used to be.

I think, in a lot of ways, people have come to expect that if they don't like something they've purchased, they can get their money back. I know here in Sandy, Utah, if you buy anything, from a toy gun up to a car, there are many businesses who will give you your money back without question.

It's a powerful policy to have—and it keeps me coming back to those stores time and time again!

If your product is “shady”, get rid of it. There are so many other things out there that you can sell. There's absolutely no reason anyone has to settle for selling shoddy or shady merchandise when you can make money offering quality products and services.

Also—if you do sell a shoddy product (especially if it's over \$100) you'll get dozens and dozens of returns... you know, people wanting their money back. And that gets expensive!

I recommend you start with a powerful product in the first place, then you won't have to worry about a high return rate.

Oh sure, you'll get a few returns no matter what you sell—there will always be those types of people who will take your book or course, copy it, and send it back requesting a refund—*plan on it happening!*

But, a powerful, no-risk guarantee will always increase your response to the point that it more than pays for those who want to take unfair advantage of you... so don't worry about it. They'll “get theirs” in the end.

Besides that, I have a strong feeling that people who do swipe information like that will never succeed to any noteworthy scale. Those who steal are the scum of the earth; and being scum, unless they change their ways, they'll never amount to much of anything.

Onward.

Strong, no-risk guarantees will bring you:

- More Sales
- More Profit
- The Ability To Charge More
- Greater Competitive Advantage
- Paradoxically, Fewer Returns

But of course, there are risks.

First, there is the honest risk of your product being returned for a refund because it really should be. That is a risk that any business person should be willing to take. After all, if a customer came to you with a defective product and asked for a refund you would

More probably give it to him, right? So why not profit from it by telling people in advance that you will do so? Say it like this:

“However, I understand that our products aren’t for everyone—that’s why I’m giving you this 60-day guarantee. Give my product a try—test it out to see if it’s for you. If it’s not, no problem, I understand. As my guarantee states: “If for any reason you’re not completely satisfied, you’ll get every penny back!”

I think the real fear that most of us have is that a *dishonest* person will take advantage of you, like I mentioned before. Please try to understand that it really doesn’t matter. Because, for every person who takes advantage of you, many, many more will buy from you because of your guarantee. Guarantees are *that powerful*.

I believe (and I’ve seen it happen) the numbers are in your favor for three reasons:

people are honest than dishonest. (If that’s not true in your line of work, perhaps you should consider a new line of work... Seriously!)

1. Most people are forgetful. They will forget whether you offered them a 6-month guarantee or a 12-month guarantee. Or, exactly when they bought it from you. Or, even that you offered a guarantee. It’s not that you are trying to make them forget—they just plain forget!
2. People tend to be lazy and busy. Because people are lazy and busy, most people won’t take the time and effort needed to look for their sales receipt, package up your product, and return it to you.

Understand, too, that just like in my example above, about the home improvement store—most businesses don’t make a big deal out of letting people know their policy on guarantees.

That’s crazy!

Can you imagine the profits places like this home improvement store lose each day... simply because they fail to announce such a powerful guarantee? Their building should constantly be stuffed with buyers! They shouldn’t be able to close their doors at night!

They could be so busy and so profitable—but, since they don’t really “YELL” their guarantee around to everyone in the valley, they continue with a good, strong, solid business—but *not half* of what it could be!

Don’t you do that!

Take your guarantee and use it!

Put it on every postcard you send, every letter, ad, flyer, brochure... everywhere! Let people know that they can buy from you with no risk—you’ll be shocked at how much your business increases!

Guarantees also help induce immediate action. You prospects are probably very hesitant to buy (most prospects are these days) and a guarantee can be the little “push” that gets them to buy.

Guarantee Strategies That Work

1. Make your guarantee as strong and as risk-free as you can. Your confidence in your product will result in increased sales, increased royalty, and more repeat business. For example:

“If you don’t get all the benefits I promise and more, simply return the Life-Saving Miracle Health Series Videos and receive every penny back—including shipping. I’ll pay for the return postage as well! The way I figure it is this: if you’re not satisfied, that’s my fault—not yours! Why should you have to pay anything for it? You have absolutely NO RISK WHATSOEVER!”

2. Make the guarantee period as long as you can. A 10-day guarantee does nothing to increase your response. A guarantee with that short of a period shows how much you believe in your product... not very much! Even 30 days is questionable... people just don’t trust a guarantee like that. Besides that, studies have shown that returns usually drop when the guarantee period is lengthened. I recommend at least 90 days—but if you can, go 6 months or more.

Example:

“Try ‘Get Fit’ for a full 6 months—if it doesn’t do everything you hoped, simply request a full refund and the \$120 in bonuses are yours to keep... no hassles!”

3. Set up your policy and procedure for “normal returns”—refund requests for honest, valid reasons. Make your refunds quick, easy, and hassle-free for your customer. If you do that, they’ll remain happy customers and chances are they’ll continue to buy from you in the future. Studies have proven that if an unsatisfied customer is handled in a kind and considerate way, they almost always becomes a loyal, lifetime customer.

4. Try putting your guarantee in the headline! This really grabs your prospects by the throat—just make sure you can deliver on your guarantee!

5. Somewhere along the way, after you have made tons of money from your new guarantee—someone will try to rip you off. Don’t worry about it... let them. Your extra profits are already in the bank. Just refund their money, or whatever your guarantee is, and delete them from your database. This reminds me of a cute little story:

There was once a fellow who bought a DVD from a client company. After about 2 weeks the DVD was returned along with a note requesting a refund.

However, the DVD that was returned was **a copy of the original!** Apparently this fellow copied the video, and was going to send back the original to get his money back—but instead, he returned his “black market” copy!

My client couldn't decide whether to send the customer's money back or not. After some deliberation, he determined what he would do... he sent the fellow his money back!

Well, sort of. What he did was, he took the money he was going to send back to the customer, and copied it on the copy machine—and sent that money back!

Isn't that a hoot? Onward...

The Elements of a Money-Making, Risk-Free Guarantee

1) First of all, your guarantee must be risk-free—and it must state that it's risk-free.

For example:

“You'll get everything you see listed here, totally risk free! What do I mean by risk-free? Simply this: If our product isn't everything I said it was and more, simply return it for a complete refund including shipping! No hard feelings, no questions asked.”

2) You must let your prospects know that if they request a refund, there will be no hassles, and no questions asked—regardless of the reason they're returning the product.

For example:

“Try out our system for a full 6 months. If at that time you're not absolutely certain you can make money with it, simply return it for a complete, no-hassle, no questions-asked refund of your purchase price! We respect your opinion and realize that our quality products are not for everyone.”

3) You must state the time period of the guarantee.

For example:

“You have up to one full year to put our profit-making system to the test! If you're not totally pleased with the results, simply call our toll-free number and arrange for UPS to swing by and pick it up. We'll drop you a check just as soon as we get your package back!”

4) You should tell them the reason why you offer such a powerful guarantee. There are all kinds of reasons for offering such a powerful guarantee:

- Tell them: “Why such a powerful, no-risk guarantee? Well, I know this is the first time you've ever done business with XYZ company—and I want to make sure it's a good experience. I know that if you're totally satisfied, you'll become what we call “a regular” around here. That's a win/win situation for both of us: I can stay in business, you can get quality office supplies at dirt cheap prices. When I put it that way, it sort of makes good sense to offer such a strong guarantee, doesn't it.”

- Or, try this: “Am I crazy for offering this one-year, no-risk, 100% money-back guarantee? Maybe. Maybe not. The way I look at it is this: if I were in your shoes and looking to do business online or through the mail with such a high price tag, I’d want to rest assured that if I wasn’t comfortable with the product, I could get my money back—makes sense, doesn’t it?”
- Or, this is one I’ve used a lot: “You’ll notice that none of our competition offers such a strong guarantee. I think that tells you a lot about how confident they are with their product and how well it delivers. You get a no-risk guarantee from us for one simple reason: you must be satisfied—or I don’t deserve your business.”
- Or, how ‘bout this one: “The way I look at it is this: why should you have to continue to pay for a newsletter you don’t want to get. If you’re not satisfied, you get your money back.”

Here are some other “risk-reducers” that work well in or with your guarantees:

- Unconditional Money-Back Guarantee
- Life-Time Guarantee
- No-Risk Trial Offer
- No-Hassle Return Policy
- Cancel At Any Time
- Full-Year Warranty
- Send No Money Now
- Money-Back Guarantee Plus \$10 For Giving It A Try
- Get Your Money Back and Keep the Bonuses! (*A \$125 value!*)
- Double Your Money Back
- Send No Money Now—Will Bill You Later
- Pay In 3 Easy Monthly Installments
- Order By Credit Card To Get 30 Days FREE
- Postdate Your Check or Money Order For 40 Days From Now—I Won’t Cash It Until That Date

Your guarantee should be as liberal and risk-free as you can make it.

Examples of Different Types of Guarantees

Here are a few examples of guarantees that are proven effective with skeptical marketplaces. Adapt them to your own usage however you’d like:

1) The “Standard Guarantee”. This is where you simply offer your customers their money back if they return your product within a given time period.

2) The “Pay Only If It Works Guarantee”. This is where your customer is able to take your product and put it to the test. If it does all you say it will, the customer is obligated to pay either the outstanding balance, or buy it, depending on how you set it up on the front end.

3) The “Better Than Risk-Free, Lifetime Guarantee” has got to be the most powerful guarantee you can use. This is where you not only offer to give them their money back, but you also let them keep all the valuable bonuses that you gave them for making their purchase before a given deadline. Ideally these bonuses cost you very little, but have a very high perceived value. Special reports often fall into this “ideal” category. Obviously, the customer gets to keep the bonuses even if he returns the product. You may want to put it this way:

“These incredible bonuses are worth more than \$85 themselves, so even if you do decide to get your money back, you’ll be \$85 ahead just for trying our product!”

Don’t pass this technique by as being too much risk for you to take. This type of guarantee can really shoot your response through the roof.

4) The “We’ll Beat Any Of Our Competitor’s Prices By x% Guarantee” is one that you see retailers using all the time. It’s usually referred to as a “low-price” guarantee. If you’re in a cutthroat market, this may be what you’ll want to use.

It goes something like this:

“Go ahead and shop around for your next computer. I guarantee that there are no other computers that are better built, better serviced, with a lower price. But, if per chance you happen upon a computer with the same or better quality than ours, and its price is lower... **we’ll beat their price by 15% and pay you \$20 for bringing it to our attention!** Even if you’ve already bought your computer from us and had it for up to 6 months... we’ll still honor this guarantee!”

Pretty strong isn’t it? I haven’t seen this technique put to work much in the space ad or direct-mail industry. It’s something worth testing—and a very powerful proposition!

Conclusion

When it comes right down to it, your prospects have two worries on their mind:

1. Am I going to get what I think I’m going to get when I place my order—do you deliver on what you say you’re going to deliver?
2. If I don’t get what I want, will you give me my money back with no long waits, with no hassles, immediately?

Remember, today’s prospects are more skeptical and jaded than ever. We’ve all been burnt by unscrupulous corporations, politicians, and advertisers. It’s only natural that

people are skeptics these days. Using a guarantee is one of the easiest, but most powerful ways you can boost your credibility.

A well-positioned guarantee shows that not only do you have real confidence in what you're selling, but also that your prospect has no risk in becoming a customer. It seems to take the edge off the buying decision—and as I mentioned earlier, it appeals to the logical side of your prospects buying mind... which is of critical importance. Start using guarantees in every ad or sales letter you create, and you'll see an immediate increase in your response!