



Marketing Tips from MyFlowerBuyer.com

The Power of a Great Product Guarantee

Product guarantees are a continuing enigma at the retail level. After all, isn't it implied that every merchant stands behind their product and that every purchase is guaranteed? That's called an "implicit" guarantee that is not necessarily "top of mind" when consumers shop. Therefore, the idea of stated, or "explicit," guarantee takes on a more important meaning in an increasingly competitive retail environment.

The September 2006 issue of Super Floral Retailing offered a good article on the value of "messaging up" and the power of a great guarantee. One of the research findings offered was that occasional mistakes (messaging up) that are fixed quickly actually help create more customer loyalty than never messaging up at all. The chart below illustrates the point:

Type of Service	% of Customers Who Came Back
Perfect Service	88%
Service Problems – fixed effectively	94%
Service Problems – not fixed	29%

The article went on to recommend that retailers create a powerful guarantee that tells consumers, up front, what will be done if they mess up. The point is that in addition to inspiring greater customer confidence from the beginning, a great guarantee differentiates the retailer from the competition. A great guarantee also increases sales, focuses the staff on delivering the promise offered, and makes the retailer stand out in the consumer's mind.

There are three steps to create a powerful guarantee:

1. Think about what is really important to the consumer. Then list those fears that you think they might have about buying what you sell, and specifically, buying from you.
2. Give thought to performance, style, flowers' vase life, dependability, accuracy, service, outstanding experience, and on-time delivery. Then select one of those areas in which you think you can excel and create a promise that is truthful, powerful, understandable, and that will make those fears go away. To be effective, a guarantee must:
 - a. Promise an action, a performance or a value that's compelling to your target customers;
 - b. Be specific about what you'll do for the customer if you fail to deliver your promise.
3. Advertise and promote your guarantee in a way that makes you "famous."

In summary, here is a review of the power of a great guarantee for your business:

1. Quickly differentiates you from your competitors;
2. Creates customer confidence;
3. Increases sales and profitability;
4. Focuses every member of your staff on delivering the compelling value that you promise.

Source: Super Floral Retailing – September 2006

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