

By Bill Guertin

The 800-Pound Gorilla

HOW “CRAZY” IS YOUR GUARANTEE?

Leon was a businessman. He was also an avid hunter.

Born and bred in the Oxford hills of Maine, Leon had walked many a hiking trail in his hunting days, but was tired of wearing shoes that hurt his feet. So he took a pair of shoe rubbers from the stock of his family's clothing store, had a shoemaker cut out a pair of seven and a half-inch boot tops, and stitched the whole thing together.

At just 31 ounces, the new hunting boots were lightweight and waterproof. They worked so well that Leon ordered up 100 pair for sale in the winter of 1912, and all 100 pair were sold. There was a problem, however; the rubber was not strong enough to hold the stitching on the tops. Ninety of the first 100 pairs were returned as defective.

Disastrous? Most people would think so. But “Crazy Leon” gave every customer that returned their boots a full cash refund, and instead of abandoning the idea, he fixed the problem and upped the order from the manufacturer.

The next year, L.L. Bean was selling his new “Maine Hunting Shoe” as a sideline to the family business. By 1919, Bean's mail-order operation became so big that he moved to a larger building, on the second floor of the Freeport Post Office.

Bean's extraordinary business ethics brought him scores of new customers, and the wording of his “incredible guarantee” has stayed the same since it first appeared in the 1916 catalog:

NOTICE: I do not consider a sale complete until goods are worn out and the customer still satisfied. We will thank anyone to return goods that are not perfectly satisfactory. Should the person reading this notice know of anyone who is not satisfied with our goods, I will consider it a favor to be notified. Above all things, we wish to avoid having a dissatisfied customer.

“Crazy” Leon's promise of a lifetime guarantee on all products redefined America's notion of customer service. The fact is, L.L. Bean was genuinely surprised when any of his products failed, and went to great lengths to make sure deficient goods were corrected. Today, under the leadership of Leon's grandson, the L.L. Bean Company has 3,800 full-time employees and generates \$1.2 billion in sales.

What's *your* guarantee to your customers? Is it in plain view for everyone to see? If you have one, do your customers know what it is? Are all of your employees aware of it? And if not, how many customers are you losing to someone else's guarantee of satisfaction?

You might say, “People know us. They know they can always bring something back if it's not working out.” If it's not written out somewhere, I'll guarantee you this: somebody out there has got something you sold them, doesn't like it, and is unaware of your generosity.

In today's commoditized world of selling, there are fewer things for people to differentiate one company from another. Removing risk from a transaction by backing it completely—and making sure the customer understands your offer—is a powerful differentiator. It's also, by the way, one of the very best generators of positive word-of-mouth.

Is it crazy? Maybe. But without a guarantee, where would Leon's company be today?

And *with* a well-crafted, well-promoted guarantee, where could *your* company be tomorrow?

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