

Podcast 423: The IEW 100% Satisfaction Guarantee

Transcript

Julie Walker: Hello, and welcome to the Arts of Language Podcast with Andrew Pudewa, founder of the Institute for Excellence in Writing or as many like to say, “IEW.” My name is Julie Walker, and I’m honored to serve Andrew and IEW as the chief marketing officer. Our goal is to equip teachers and teaching parents with methods and materials, which will aid them in training their students to become confident and competent communicators and thinkers.

Julie Walker: Andrew, I am really excited to talk about what we're talking about today, but I'm a little nervous because...

Andrew Pudewa: I don't even know what we are talking about today, so why are you nervous? Why are you excited? And what are we going to talk about?

Julie Walker: Well, the reason I'm nervous is I don't want our listeners to think that this is a infomercial for IEW. I want them to have a glimpse into a little bit of the heart and soul of IEW, which basically means the heart and soul of Andrew Pudewa, and why we do some of the things we do around here.

Andrew Pudewa: Uh-oh.

Julie Walker: I know. And so I'm going to share a little story from my perspective and then see what you think about this story. So, I had just graduated my youngest son; he was homeschooled K-12. Before I homeschooled my boys, I was a school teacher and so taught for a couple years in the classroom and then decided to do this homeschooling thing.

And because he was done homeschooling, I decided I was going to go back to school and get my MBA. And that actually coincided perfectly with when I started working for you. So that was almost exactly 17 years ago. And I walked into the barn, because that's what it was, in Atascadero.

Andrew Pudewa: A converted barn

Julie Walker: And you said, “All right, let's sit down. I want to tell you two of our most important core values.” And I thought to myself, Andrew Pudois has core values. I mean, this

Andrew Pudewa: You're thinking of it through your MBA perspective.

Julie Walker: Of course, core values are those ideas and philosophies that dictate your decision making for your company, things like integrity, honesty...

Andrew Pudewa: Well, this is like go without saying.

Julie Walker: Well, not everybody knows what a core value is.

Andrew Pudewa: yeah, I didn't obviously.

Julie Walker: The core of who you are. So we at IEW, we have, for example, we value very high customer service. And so our relationship that we have with our customers is very important to us. And so, in many ways, this drives our decision making. But the two core values that you told me about— We're going to talk about one of them today in particular, but I'll tell you both of them.

One is that we don't use the D word and that's discount. We don't have sales for our products. We don't. “If you buy at this homeschool convention, we'll give you 10 percent off.” No, we don't do that. And all of our resellers and we ourselves on Amazon or wherever our IEW products are sold new, you will never find them at a better price. We don't discount. And that way, if a teacher or a parent wants to buy something from us, they can buy with confidence, knowing that they're never going to miss the sale.

Andrew Pudewa: Right. There's no pressure. And then there's this one company I buy from. I like their supplements, but I hate their marketing because they'll send out 20 percent off on this product today only. Like I don't need it today, but if I don't buy it today, I lose the, and you just feel manipulated.

The other thing I saw, and this is what actually caused me to. I was at a convention, and it was some product that we didn't produce, but I was buying and selling in these early days. It was the *Your Story Hour* CDs. And so I was at a convention, and I was one of three vendors that were selling the same product. And so the first day, someone had a 10% discount on *Your Story Hour*. And then I thought, well, I guess I'm not going to sell many of these things unless I make a discount, but I didn't want to, and it's not a main thing, so. But then some other person put 20% discount, and then the third day of the convention, the other one was 30%, so they were in a bidding war to increase the discount.

They didn't benefit from this. Maybe the customers did, but I thought, I don't want to ever go there. It's, I don't know, something just kind of disingenuous. Like, we're just going to lower the price to sell more. If it was really good, and everybody sold it for what it was worth, what the value was, that's more honest.

So, anyway, those were a couple reasons that I said, we're not going to do any discounts, and there is the small exception to that is we will have free shipping, and there are groups like missionary and military that are overseas, and we will discount to the cost of covering their shipping or something like that.

But in terms of nope, you're never going to see blah blah distributor selling it for less than we do, and we're not going to sell it for less than they do.

Julie Walker: Yeah, we make that same commitment to our resellers. We're not going to.

Andrew Pudewa: It's very consistent. And I think consistency in that way is it respects the customers.

Julie Walker: So the one that we're going to spend a little bit more time on today is our 100 percent satisfaction guarantee. In fact, I'm going to read this, and you can find this on our website. It's at IEW.com/Guarantee. And this is a really difficult URL to remember. Our 100% satisfaction guarantee policy.

And this is it. We offer a 100% satisfaction, no time limit guarantee on everything we sell. There's no stars

Andrew Pudewa: Yeah, actually I have even appended to that. I don't care. You can run it through your dishwasher, but if you wish that you had never bought it, you can always send it back.

Julie Walker: Right.

Andrew Pudewa: Now, I don't think anybody accidentally runs books through their dishwasher.

But the idea is you're going to use it. It's going to get beat up. If you wish you hadn't bought it, I don't want it sitting in a box in your house, making you irritated or sitting on the shelf, taking up space. And you're thinking, Oh, I wish I'd never bought that. Send it back.

Julie Walker: And I do, I want to qualify this, but like I said, there is no stars here. There's no “read the fine print below.”

Andrew Pudewa: There's no time limit.

Julie Walker: There's no time limit.

Andrew Pudewa: There's no condition of the materials.

Julie Walker: Right. But if you are not satisfied, if you tried it and you didn't like it, you are not satisfied—the one word. I just want to clarify the only thing that's not a star, but it's just “that we sell.” So if you buy directly from us, we're going to 100% guarantee it. If you buy it from one of our resellers (which we love our resellers) and want to return it to us, we are not going to give that 100% back. But we're going to give back to you what they would have bought it for.

Andrew Pudewa: Right, well that makes sense. I mean, because otherwise we'd be net negative.

Julie Walker: Exactly, but here's the other thing that we do and actually says on this website, view the return policy or request a return label here. So there's a little link. And so the other thing that we're doing is we're giving you a return label so that you don't even have to pay shipping when you return it.

So that's our guarantee. And, Andrew, before I kind of do the little bit of comparing to what other people think as the best guarantee in the business—I just want to read a couple of them. But before I do that—

Andrew Pudewa: no, I have a question for you. You came in, you got your shiny new MBA. I did. And so you're having this two year or more discussion about how to make businesses great and successful and all that. What did you think when I said that?

Julie Walker: I realized that we could never be a publicly traded company because the SEC requires that you close your books. And by having a lifetime guarantee, someone who bought something from us in 1999 could still return it. We couldn't close our books. So IEW can never be a publicly traded company.

Andrew Pudewa: Yeah, so I guess the only thing that could happen is I just go bankrupt or die.

Julie Walker: Well, that hasn't happened yet and I don't expect it will anytime soon. ‘

Andrew Pudewa: I suppose if, if we needed to go public, I won't be around, but whoever is in charge could change the guarantee so that it meets the SEC commission standards.

Julie Walker: So, I just, can I read a couple of our competitors? I'm not going to name any names.

Andrew Pudewa: Let me just clarify. We don't have competitors.

Julie Walker: It's true.

Andrew Pudewa: We have other people that sell into the same market, but nobody sells what we sell. Unless they buy it from us.

Julie Walker: So here's one. “Requests for refund—mind you that's a request for a refund—must be postmarked or received within 30 days of your invoice date. Refunds will not be issued after that date.”

Here's another one. This company actually claims that their refund is better than anyone else's, but yet here's the conditions. “All materials returned after 18 weeks must be returned in unused, resaleable condition. Unbent, no binding unbroken. You'll receive a full refund of the purchase of your items, but we will not refund return shipping expenses.”

Andrew Pudewa: Well, it's pretty hard to use something at all to figure out whether you want it to continue using it or not and have it be in pristine condition. I mean, it's pretty hard to ship anything anywhere, unbox it and leave it in your house for three days and have it be in pristine condition.

Julie Walker: It's true. It's very true. Let me just read one more and then you can maybe share why we have this generous guarantee. Here's another one. “Your satisfaction is important to us.” Isn't that nice? I like that. “If for any reason you are not fully pleased with any product you purchase, please notify us within 30 days, and we will replace your merchandise or refund your money.” I just think replace them, but if you're not satisfied with it, why would you replace it?

Andrew Pudewa: Well, maybe trade in for a different thing.

Julie Walker: So 30 days, 90 days, 18 weeks. So a lot of these have this time limit qualification, and no one is paying shipping, and no one is saying lifetime guarantee. So Andrew Pudewa, why on earth would we do this?

Andrew Pudewa: Well, from the beginning our stuff has been a little bit of a little higher price, higher ticket item than just regular school books because we use video courses and videos cost a lot to produce, to replicate, and to package. It's just more complex. So, we've always had kind of our flagship products in the over a hundred dollars range.

Even the spelling program was in that zone. Well, that's a risk. If it's twenty bucks and you don't like it and throw it away or give it away or take it to goodwill. But a hundred bucks,

that's five times that. So I've always had this kind of, I don't know if you'd call it a Christian ideal of do unto others as you would have them do unto you.

I mean, but it's a common sense business practice, I would think: treat your customers the way you would like to be treated if you were a customer, which is, I don't want people to feel pressure. It goes with the same discounting. I don't want you to feel like if you don't buy it right now, you're gonna lose the 20 discount that I'm manipulating you into buying it right now because I want to sell it to you right now. I don't care, right? It's God's business. God will take care of everybody and everything. So whether you buy it now or later or not at all, I'm okay with that.

Same thing. I want you to buy it and have total confidence that there's no risk involved. That way you can give it a fair shot. And if it takes you three months or six months to try out the course or try out the program or use the book and decide. This just isn't working, and I don't like it, or, well, I got the wrong level, right? Or I changed my educational plan for my kid, I changed curriculum, I put him in school or something and now I've got this thing.

Well, like I said, I would rather have you send it back and I take the hit, then you to sit there and say, I wish I never bought this and then tell your friends, well, I bought this thing and I hated it. I'd rather have you tell your friends, well, I bought this thing and it didn't work for us, but they gave me all my money back, even though it was five months ago.

That's the type of reputation that I wanted to establish. And yeah, is there vulnerability? Yeah. I suppose. If everybody who ever bought anything from us returned it all at the same time, that would be the end of it. But that doesn't happen. And if you look at our returns rate compared to other comparable businesses and companies, it's very low. Our returns rate is so low that one year, the accountant actually said, is this the right number? Because this is very low for a mail order, basically. online business like we do. And I said, yeah, it is.

So, I think it's one of those things you trust people. All of human society operates on trust, right? I mean, when you go to a restaurant, you trust that people aren't putting poison in your food. When you go to the car mechanic, you trust that they're going to do the best they can. When you have someone come and fix something, you trust them. Everything we do is based on trust. So, why not have your policies reflect the fact that you trust your customers and you want them to trust you? And that affirms the nature of a well-ordered society.

Julie Walker: Yes. And just to speak to the other side of that same coin, we trust our customers. If they love it and are getting great success, they're going to tell people about it. They're not going to return it because they are satisfied with their purchase. At the same time, we are working really hard to live up to our middle name, excellence, and be sure that the products that we are shipping out are in good working order, the pages are in the right order, the discs, if they're buying DVDs now, work, that the streaming videos are easy to activate, all those different things that we're trying to be careful on our end, so that we can offer a 100% satisfaction guarantee, know that the product itself is quality.

Andrew Pudewa: And if there's a glitch or pages are missed or we have a bad disk or whatever, we instantly just absolutely no questions asked, just ship replacements. And then, if people do send stuff back, if the books are written and we just get rid of it because we can't resell that.

But if it's a little beat up around the edges, but hasn't been written in, then we sell it at our scratch and dent clearance, which usually happens around cyber Monday-ish,

Julie Walker: Yeah. So the week after Thanksgiving we have, we try and reduce our clearance stock

Andrew Pudewa: We sell it almost at cost, slightly above cost, just so that we don't waste so much paper.

Julie Walker: But we don't have a lot of inventory.

Andrew Pudewa: We run out of stuff. Actually, we had a conversation one year. We ran out of stuff. Should we take new stuff and just sell it on clearance? No.

Julie Walker: That would be discounting.

Andrew Pudewa: Yeah, so we're, I mean, we try to follow our own principles.

Julie Walker: Yes, we do. We absolutely do. Well, this is May, and I know a lot of schools and homeschoolers are thinking, "Huh, I keep hearing about this IEW, and I keep hearing that they have such great results. Maybe this is the year I need to just give it a try."

Andrew Pudewa: There's no risk involved.

Julie Walker: There's no risk. Yes, absolutely. So we are happy to help you select what is best for your student or group of students.

We have trained educational consultants in our schools division. We have in our customer service area, people that can help guide teachers, homeschooling parents of what to do with their unique child, because every child's unique, right? But we also know we can back this with a guarantee that you're going to be satisfied and you're going to get the results that you were hoping for.

Andrew Pudewa: Are you glad that you came to work for us?

Julie Walker: Andrew, I'm very glad that I came to work for IEW.

Andrew Pudewa: I am too, even though you've kind of redefined my use of the word core values, but...

Julie Walker: Well, I like them.

Andrew Pudewa: I don't have the MBA.

Julie Walker: Well, short and sweet this time, but hopefully listener, you will forgive us for talking so much about ourselves. But I think you will agree that IEW is a pretty awesome company, and I'm happy to be a part of it. Thank you, Andrew.

Julie Walker: Thanks so much for joining us. If you enjoyed this episode and want to hear more, please subscribe to our podcast in iTunes, Google podcasts, Stitcher, or Spotify. Or just visit us each week at IEW.com/podcast. Here you can also find show notes and relevant links from today's broadcast. One last thing: would you mind going to iTunes to rate and review our podcast? This really helps other smart, caring listeners like you find us. Thanks so much.