



# Top Mistakes Furniture Retailers Make with Protection Plan Programs



## A Strategic Buyer's Guide for Retail Executives

Make the right partner decision to maximize attachment rates, protect your brand, and scale long-term revenue

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# Executive Summary

Most furniture retailers do not intentionally design underperforming protection plan programs.

In fact, many programs begin with strong fundamentals. The provider is selected carefully, pricing is set with reasonable assumptions, and training is delivered during rollout.

Early performance often appears promising.

However, over time, subtle inefficiencies begin to emerge. Attachment rates plateau. Store-level performance becomes inconsistent. E-commerce underperforms relative to in-store sales. Customer feedback on claims becomes mixed.

These issues rarely stem from a single, obvious failure. Instead, they develop gradually through a series of small but compounding mistakes—each one reducing the effectiveness of the program in ways that are not always immediately visible.

Because protection plans sit at the intersection of sales, operations, pricing, and customer experience, even minor misalignments can have outsized effects.

This guide examines the most common mistakes furniture retailers make and provides a strategic framework for correcting them.

The goal is not simply to identify problems, but to create a pathway toward a more consistent, scalable, and high-performing program.

# Mistake #1: Introducing the Plan as an Afterthought

In many retail environments, the protection plan is introduced at the end of the transaction.

By that point, the customer has already made several decisions—what to buy, how to pay, and whether to add delivery—and is mentally transitioning out of the purchase process.

When protection is introduced in this context, it is perceived as an optional add-on rather than an integrated component of the purchase.

This significantly reduces its perceived importance.

High-performing retailers take a fundamentally different approach.

They introduce protection early—often at the same time the product is being evaluated. In doing so, they position it not as an extra, but as part of the overall ownership experience.

This subtle shift has a meaningful impact.

When customers begin to think about protection while they are still considering the product, they are more likely to see it as a logical and valuable inclusion.

Correcting this mistake requires a structural change in the sales process—not simply better wording at checkout.

# Mistake #2: Building Complexity into a Simple Decision

Protection plans are often designed with internal logic in mind—coverage tiers, pricing bands, exclusions, and conditions.

While these elements may be necessary from an operational standpoint, they can create unnecessary complexity for the customer.

Customers are not looking to evaluate a contract. They are looking to make a simple decision: “Should I protect this purchase or not?”

When the offer becomes difficult to understand, customers hesitate. And hesitation is one of the strongest predictors of decline.

Retailers that achieve high attachment rates focus on simplifying both the structure and the explanation of the plan. They emphasize clarity over completeness.

They communicate value through relatable scenarios rather than detailed specifications. This does not mean reducing the strength of the product—it means making it easier to understand.

# Mistake #3: Allowing Sales Execution to Vary by Location

In multi-location retailers, it is common to see wide variation in attachment rates across stores.

One location may consistently outperform expectations, while another struggles to gain traction. These differences are rarely driven by customer demographics alone.

They are driven by execution.

Without a clearly defined and consistently reinforced sales framework, associates develop their own approaches. Some introduce the plan early and confidently. Others mention it briefly—or not at all.

Over time, this creates significant performance gaps. Retailers that succeed at scale recognize that consistency is not accidental—it is engineered.

They define how protection plans should be presented, when they should be introduced, and how they should be positioned.

They then reinforce that framework through training and leadership. The result is not identical behavior, but aligned execution.

# Mistake #4: Treating Training as a One-Time Event

Initial training is often thorough.

Associates are introduced to the program, given key talking points, and encouraged to incorporate protection plans into their sales process. However, without ongoing reinforcement, this training begins to erode.

New associates may not receive the same level of onboarding. Existing associates may revert to more comfortable habits. Messaging becomes inconsistent.

Over time, performance declines—not because the program has changed, but because execution has.

High-performing retailers approach training as a continuous system. They reinforce messaging regularly, provide refreshers, and incorporate coaching into daily operations.

They treat training not as an event, but as an ongoing discipline. This approach ensures that execution remains consistent even as teams evolve.

# Mistake #5: Misaligning Price with Perceived Value

Pricing decisions are often made based on internal targets rather than customer perception.

Retailers may aim for a specific margin or align pricing with competitor benchmarks without fully considering how the price is experienced by the customer.

However, customers do not evaluate pricing in isolation. They evaluate it in the context of the purchase.

A protection plan that feels appropriately priced for a high-ticket item may feel excessive for a lower-priced product.

This makes alignment between price and perceived value critical. Retailers that optimize pricing do not simply choose a number—they design a structure.

They consider how pricing scales across product categories, how it is presented, and how it fits within the overall purchase. They also revisit pricing over time, recognizing that optimal pricing is not static.

# Mistake #6: Failing to Adapt Your Program for E-Commerce

As e-commerce becomes a larger share of furniture sales, many protection plan programs fail to evolve accordingly.

In-store, associates can guide the customer through the decision. Online, the experience must stand on its own.

If the plan is buried in the checkout flow, poorly explained, or disconnected from the product page, attachment rates suffer.

Customers need to understand the value quickly and intuitively. This requires intentional design.

Retailers must integrate protection plans into the digital experience in a way that mirrors—or improves upon—the in-store presentation. This includes clear messaging, visible placement, and a seamless selection process.

Without this adaptation, e-commerce becomes a missed opportunity.

# Mistake #7: Operating Without Performance Visibility

Many retailers rely on high-level metrics to evaluate their protection plan programs.

Overall attachment rate provides a general sense of performance, but it does not reveal where improvements are needed.

Without more granular visibility, it is difficult to identify:

- Which stores are underperforming
- Which associates need support
- Which product categories have lower conversion

This limits the ability to take targeted action. High-performing retailers use data as a management tool. They track performance at multiple levels and use that information to guide training, coaching, and decision-making.

Visibility creates accountability—and accountability drives improvement.

# Mistake #8: Undervaluing the Claims Experience

The claims experience is often treated as a backend process. However, from the customer's perspective, it is the most important moment in the entire program.

It is when expectations are tested. If the experience is smooth, responsive, and fair, the protection plan delivers on its promise. If it is slow, unclear, or difficult, it can undermine the entire relationship.

Retailers that overlook this aspect risk damaging customer trust—even if the sales process is strong. Those that prioritize claims performance, on the other hand, create a powerful differentiator.

They turn moments of potential frustration into opportunities to reinforce confidence.

# Mistake #9: Selecting a Provider Without Long-Term Alignment

Provider selection is often influenced by short-term considerations such as ease of implementation or initial economics.

While these factors are important, they should not be the primary drivers. Over time, limitations in flexibility, reporting, or claims performance can become more significant than initial advantages.

Retailers should evaluate providers based on their ability to support long-term goals. This includes:

- Adaptability
- Scalability
- Customer experience
- Alignment with the retailer's operating model

Choosing the right partner is less about immediate fit and more about future alignment.

# Mistake #10: Treating the Program as Static

Perhaps the most limiting mistake is viewing the protection plan program as something that is “complete” once implemented.

Retail environments are constantly evolving.

Customer expectations shift. Sales channels expand. Competitive dynamics change. Programs that are not actively managed and refined will gradually lose effectiveness.

High-performing retailers take a different approach. They treat their protection plan program as a dynamic system—one that requires ongoing attention and optimization.

They test changes, evaluate results, and continuously refine their approach. This mindset transforms the program from a static offering into a sustained growth driver.

# Final Takeaway

Underperformance in protection plan programs is rarely caused by a single issue. It is the result of multiple small inefficiencies working together. The opportunity for retailers is significant.

By identifying and addressing these gaps, they can unlock improvements in:

- Attachment rate
- Revenue
- Operational consistency
- Customer satisfaction

The path forward is not about redesigning the entire program overnight. It is about making targeted, strategic improvements that compound over time.

## Get Your Protection Plan Performance Audit

We'll evaluate your program across sales execution, pricing, ecommerce, claims experience, and provider alignment.

Your audit includes:

- Performance gap analysis
- Store-level insights
- Pricing and conversion review
- Strategic recommendations

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