

# After-Sales Service Can Influence A Furniture Consumer's Purchasing

#### **Decision**

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Abstract: After-sales services are a crucial combination of services, component replacement, and delivery. Businesses need to prioritize after-sales services for their consumers to enhance customer retention, loyalty, and satisfaction. By enhancing goods after-sale services, businesses tend to maintain and build positive customer relationships, increase their profitability, and improve their brand image. Nevertheless, after-sales services allow businesses to collect customer insights and feedback regarding their products, brand, and business and learn about areas that need improvement. Businesses that take their time to invest in after-sale services tend to gain competitive advantages over other businesses as it reveals a gap between them and the competitors. Therefore, an overall strategy to enhance customer retention and loyalty in a business should include after-sales service as part and parcel of its plans.

Keywords: After-Sales Service; Buyer; Furniture; Consumer Choice

#### 1. Introduction

In today's competitive market, businesses need to prioritize customer satisfaction to remain competitive and generate high revenues. Catering to customer needs and expectations forms the core of every successful business organization. Additionally, customer satisfaction leads to customer retention, which brings repeat purchases to the business organization.

In recent years, the furniture market has seen a significant shift in consumer behavior. Customers are now more informed and have higher expectations from businesses, especially when it comes to post-sale services<sup>[1]</sup>. With the increasing competition, businesses need to differentiate themselves by providing high-quality services that cater to their customers' needs. In addition, the rise of e-commerce platforms and online marketplaces has made it easier for customers to access a wide range of furniture options from the comfort of their homes, making it more challenging for businesses to attract and retain customers.

Therefore, businesses need to focus on providing exceptional pre-sale and in-sale services, including product information, expert advice, and after-sales support, to stand out in the market. This not only helps to attract and retain customers but also builds brand loyalty and enhances the business's reputation [2]. Customers' expectations, likes, dislikes, motivations, and tendencies are what influence their purchasing choices. They add to the understanding of consumer behavior. Consumer behavior is broadly defined as the study of people or organizations, as well as the methods consumers use to find, choose, use, and discard goods, experiences, ideas, or services to meet their requirements and how those behaviors affect consumers and society<sup>[3]</sup>.

The role of after-sales service cannot be overstated. A business's commitment to providing exceptional after-sales service can influence a furniture consumer's purchasing decision significantly. It can help to build trust and credibility with the customers, which can result in long-term customer loyalty. Additionally, businesses that prioritize after-sales service can benefit from positive word-of-mouth marketing, which can help them to attract new customers and increase sales<sup>[3]</sup>.

Furthermore, consumer behavior studies indicate that after-sales service has a significant impact on customer satisfaction and loyalty. When customers experience problems with their purchases, they turn to the business for help, and how the business handles the issue can influence the customer's perception of the business. Studies have shown that customers who receive excellent after-sales

service are more likely to remain loyal to the business and make repeat purchases. Increasing competition in the furniture market is forcing businesses to look for new ways to attract and retain customers<sup>[3]</sup>. One of the most important tools is the organization of customer service. The role of service in the activities of the enterprise and attracting customers can be so great that it becomes one of the most important factors for customers when choosing a place to make a purchase. This is due to the convenience for customers of using the company's capabilities and saving material resources.

Therefore, businesses need to prioritize customer satisfaction by providing exceptional pre-sale and in-sale services, including after-sales support, to stand out in the market. Customer satisfaction is not just important for repeat purchases and revenue generation, but it also impacts the overall success of the business. Customers who are happy with the service are more likely to tell their friends and family about it, which can bring in new clients and boost revenue [4]. Hence, the furniture market is becoming increasingly competitive, and businesses need to focus on providing exceptional pre-sale and in-sale services, including after-sales support, to stand out in the market. The role of after-sales service cannot be overstated, as it can significantly influence a furniture consumer's purchasing decision, build trust and credibility with customers, and enhance customer satisfaction and loyalty.

## 2. Essence of After-Sales Service: Increasing Business Success

After-sales service is a crucial set of services provided to customers after purchasing a product. This includes installation, delivery, replacement of components, and various types of repairs [5]. After-sales service allows manufacturers to receive feedback from consumers, providing reliable information about the advantages and disadvantages of purchased goods. This feedback can be used to improve the quality of products and increase consumer loyalty.

### 2.1 Advantages of After-Sales Service

After-sales service is an essential component of any business that produces and sells products to consumers. It refers to a set of services provided to customers after they have made a purchase, including installation, delivery, repair, and replacement of components, among others. A high-quality after-sales service provides a range of advantages to businesses that offer it, which can help them to enhance customer satisfaction, loyalty, and trust.

One of the primary benefits of after-sales service is that it helps businesses to maintain customer loyalty. Research indicates that the probability of selling to an existing customer is around 60-70%, while the probability of selling to a new customer is only 5-20% [5]. This means that businesses can significantly reduce their marketing and sales costs by focusing on retaining their existing customers through high-quality after-sales service. By building a positive relationship with customers through after-sales service, businesses can also reduce customer churn rates and increase customer lifetime value, leading to higher profits and revenue.

Another key advantage of after-sales service is that it can provide businesses with valuable feedback on their products and services. By engaging with customers after they have made a purchase, businesses can gather insights into what customers like or dislike about their products, how they use them, and what improvements could be made. This feedback can be used to refine and improve products, which can lead to higher levels of customer satisfaction, increased sales, and a stronger reputation [4]. Furthermore, after-sales service can help businesses to mitigate risks associated with product deficiencies. By providing effective repair and replacement services, businesses can reduce the likelihood of product recalls or legal disputes, which can damage their reputation and lead to financial losses. Effective after-sales service can also enhance a company's image and reputation, helping to build trust and credibility with customers and stakeholders.

Creating cross-selling and upselling opportunities for businesses is another advantage of after-sales services. Sales opportunities can be identified by businesses having interacted with the customers after purchase concerning their additional preferences and needs. For instance, a customer who recently purchased a product like a laptop may need accessories and software. Therefore, once businesses offer these products to clients, they increase revenue and enhance customer satisfaction and loyalty. After-sales services can be another means for businesses to introduce new products and services to their customers on top of the existing ones, allowing them to increase their market share and customer base.

Therefore, after-sales service plays a crucial role in enhancing customer satisfaction, loyalty, and trust, and offers businesses numerous advantages. By investing in high-quality after-sales service, businesses can increase customer retention, reduce churn rates,

gather valuable feedback, mitigate risks, improve their reputation as well as creating up-selling and cross selling opportunities leading to higher profits and revenue over time.

### 2.2 Benefits of After-Sales Service for Companies

After-sales service can provide numerous benefits to companies that offer it to their customers. By going above and beyond just selling a product, companies can build a loyal customer base and enhance their reputation in the marketplace. Here are some of the key benefits of after-sales service for companies: Customer loyalty: High-quality after-sales service can increase customer loyalty and lead to repeat business. 80% of customers are more likely to do business with a company that provides personalized experiences, like after-sales support, per a study by Accenture [6]. Loyal customers also tend to be more forgiving of occasional product defects or issues, and are more likely to recommend the company to others.

Cost savings: Acquiring new customers can be much more expensive than retaining existing ones. After-sales service can help companies save on marketing and advertising costs by fostering repeat business and positive word-of-mouth referrals. Competitive advantage: Companies that offer comprehensive after-sales service can set themselves apart from their competitors. In fact, a study by McKinsey found that 70% of buying experiences are based on how the customer feels they are being treated<sup>[5]</sup>. By offering superior after-sales service, companies can differentiate themselves and win over customers.

After-sales service can enhance a company's brand reputation and improve its image in the marketplace. When customers receive prompt, helpful service after a purchase, they are more likely to have a positive perception of the company and share that perception with others. Data collection and analysis: After-sales service can also provide valuable data to companies about customer preferences, product performance, and potential areas for improvement. By analyzing this data, companies can make informed decisions about product development, marketing strategies, and more.

Therefore, after-sales service is a powerful tool for companies looking to enhance customer loyalty, save costs, stand out from competitors, improve their brand reputation, and collect valuable data. By investing in after-sales service, companies can build lasting relationships with their customers and create a competitive advantage in the marketplace.

# 2.3 Importance of Quality After-Sales Service.

Quality after-sales service is critical for any business that wants to succeed in today's highly competitive marketplace. It is not just a matter of fulfilling legal requirements, but also a way to improve customer satisfaction, loyalty, and retention. Providing high-quality after-sales service can differentiate a company from its competitors and can be a significant factor in attracting new customers and retaining existing ones.

One of the most significant advantages of quality after-sales service is increased customer loyalty. Bain & Company study indicates that raising customer retention rates by 5% can boost revenues by 25% to 95% [6]. This is due to the fact that devoted clients are more likely to recommend the business to others and to spend more money on goods and services. A customer who has a positive experience with after-sales service is more likely to be loyal to the brand and recommend it to others.

Furthermore, quality after-sales service can provide valuable feedback to companies. It is an opportunity to gather insights into customer needs, preferences, and concerns. This feedback can help businesses improve their products, services, and processes, resulting in better customer satisfaction and increased sales. According to a survey by NewVoiceMedia, 51% of customers would not do business with a company again after a negative experience, and 80% would share their negative experience with others [6].

Another important benefit of quality after-sales service is risk reduction. It can minimize the risk of product recalls, legal action, and reputational damage. For example, if a product is found to have a defect, a company with a good after-sales service system in place can quickly and effectively address the issue, reducing the likelihood of a recall or legal action. This can help protect the company's reputation and minimize financial losses. Quality after-sales service is crucial for companies to maintain a competitive edge in today's marketplace. It can improve customer loyalty, provide valuable feedback, and reduce risks. By investing in quality after-sales service, businesses can improve their bottom line, increase customer satisfaction, and build a positive reputation in the industry.

# 2.4 Encouraging Re-purchases

A key component of after-sales support is to promote repeat purchases, which can significantly affect a business's bottom line. By building a strong relationship with customers through after-sales service, companies can encourage them to return for future purchases, thereby increasing revenue and profitability.

One of the key ways to encourage re-purchases is by providing exceptional after-sales service. When customers have a positive experience with a company's after-sales service, they are more likely to feel confident in their purchase decision and trust the company. This trust can lead to increased loyalty and a greater willingness to purchase from the company again in the future [6]. Additionally, customers who are satisfied with the after-sales service are more likely to refer the business to others, which can boost brand recognition and clientele.

To encourage re-purchases, companies can also use customer relationship management (CRM) strategies. CRM allows companies to collect data on customer behavior and preferences, which can be used to tailor future marketing and sales efforts. For example, a company that sells furniture can use CRM data to send targeted emails to customers who have previously purchased sofas, offering them discounts on related products like chairs or coffee tables<sup>[7]</sup>. This level of personalization can foster client loyalty and raise the probability of repeat business.

Another effective strategy for encouraging re-purchases is to offer loyalty programs or rewards for repeat customers. These programs can include discounts on future purchases, free gifts, or exclusive access to sales or promotions. By providing incentives for customers to return, companies can increase the likelihood of re-purchases and build long-term customer relationships. Encouraging re-purchases is an important aspect of after-sales service that can have a significant impact on a company's success [7]. By providing exceptional after-sales service, using CRM strategies, and offering loyalty programs or rewards, companies can build strong relationships with customers and increase the likelihood of repeat purchases.

### 3. Formation of After-Sales Service Policy for Furniture Consumers

After-sales service is a critical component of any business, and the furniture industry is no exception. After-sales service comprises various activities that a company offers to its customers after they have made a purchase. These activities may include installation, delivery, replacement of components, repairs, and others. Nevertheless, there are some key elements that may be included in an after-sales service policy which entail Warranty and return policy, Customer service contact information, technical support, Service level agreements, Communication channels, Training and documentation and Feedback and improvement.

The warranty and return policy outlines the guarantee's details, including its duration and scope as well as how to return a product if necessary. It ensures that the company is transparent about its policies and offers customers peace of mind that they may receive assistance if their product has issues. To guarantee that customers can contact customer service when they need it, it is critical to give easily accessible contact details. All contact information, such as telephone number, email addresses, chat services, and other channels via which the company interacts with its customers, is provided. The level of technical support offered to customers may vary based on the kind of product or service [9]. For instance, it can include remote help, maintenance services, or troubleshooting. Clients could feel more confident that they can handle any difficulties that emerge after receiving a thorough description of the technical help offered.

Service level agreements (SLAs) describe the standard of customer care that the after-sales service staff will provide. This covers response and resolution times as well as other performance indicators that are crucial for making sure that clients receive prompt and efficient service. Businesses should offer a variety of contact options to clients, such as live chat, phone, and email. This guarantees that consumers may select the approach that best suits their needs and lessens annoyance and waiting times when requesting support. Customers can better grasp how to utilize a product or service by receiving training and documentation. These might contain instruction manuals, frequently asked questions, instructional videos, or other materials that assist buyers get the most of their purchase. businesses should Get client input regarding their interactions with the after-sales support staff in order to enhance the service and the customer experience [9]. Businesses should provide customers a simple way to send feedback, such a survey or feedback form. The quality of the whole after-sales service may then be improved by using this data to pinpoint potential improvement areas.

One of the key advantages of after-sales service is that it helps to improve customer satisfaction and loyalty, which can translate into repeat business and positive word-of-mouth advertising. Creating a well-defined after-sales service policy is an important step for

any furniture manufacturer or retailer [8]. This policy helps to ensure that the business can offer its clients high-quality service while upholding a favorable image in the industry. This section will cover the significance of developing after-sales service policies and how consumers of furniture can profit from them.

# 3.1 The Importance of After-Sales Service Policy Formation

Forming an after-sales service policy is an essential step for furniture companies that want to succeed in the market. Such a policy outlines the processes and procedures that the company will follow to ensure that its customers receive the best possible service. The policy can be considered as a guideline for employees and management to follow, which will help them to provide consistent and high-quality service to customers [8]. The formation of an after-sales service policy can also help companies to improve their efficiency and reduce costs. By having a well-defined policy in place, the company can identify areas where it can improve its processes and reduce waste.

This can lead to cost savings and increased profitability in the long run. Another benefit of an after-sales service policy is that it can help companies to differentiate themselves from their competitors. A company can build a solid reputation in the market by providing high-quality after-sales support. This can result in more loyal customers and repeat business. Additionally, if a client is pleased with the after-sales service, they are more likely to suggest the business to their friends and family.

# 3.2 Benefits of After-Sales Service Policy Formation for Furniture Consumers

The benefits of after-sales service policy formation are not limited to furniture companies alone. Customers also stand to gain a lot from companies that have well-defined after-sales service policies. Below are some of the benefits that furniture consumers can expect from companies with robust after-sales service policies.

One of the primary benefits of a well-defined after-sales service policy is that it leads to improved customer service. This is because the policy provides clear guidelines on how employees should interact with customers and what steps they should take to resolve any issues that arise [8]. Customers can anticipate a consistent standard of service regardless of the employee they are working with when a clear policy is in place. This could promote customer loyalty and confidence, which might boost repeat business [5]. Furniture companies that have well-defined after-sales service policies are more likely to meet their customers' needs and expectations. This can lead to increased customer satisfaction, which is a critical factor in building a positive reputation in the market. Customers who are happy with a business are more likely to tell their friends and family about it, which can help the business gain more clients.

Another benefit of after-sales service policy formation is that it can encourage repeat business. Customers are more likely to return to a company if they have had a positive experience with its after-sales service. This is because they feel confident that the company will stand behind its products and provide support if needed. Repeat business is critical for the success of any company, as it helps to reduce customer acquisition costs and increase profitability. Customers who are pleased with an organization's after-sales support are more apt to recommend it to their friends and family. Positive word-of-mouth advertising, one of the most powerful types of marketing, may result from this. Nielsen found that 92% of consumers place more confidence in suggestions from friends and family than any other type of advertising [5]. Positive word-of-mouth can bring in new clients as well as repeat company. In fact, a Deloitte study discovered that customers who come to a company through a referral are four times more likely to make a purchase than those who do not.

Companies that invest in their after-sales service are more likely to see an increase in positive word-of-mouth advertising. This is due to the fact that satisfied clients are more apt to refer business to others. According to an American Express study, customers are six times more likely to suggest a business to others than those who have had a negative experience with its customer service. On the other hand, businesses that ignore their post-sale support may encounter unfavorable word-of-mouth promotion. Customers are more apt to tell others about a bad experience they had if it was negative. In reality, a Help Scout study showed that unhappy customers are more likely than satisfied ones to tell others about their experience.

Negative word-of-mouth can lead to a decrease in sales and a damaged reputation. Investing in after-sales service can also lead to cost savings for a company [7]. By addressing customer issues promptly and effectively, companies can reduce the number of returns and exchanges. According to a study by Accenture, 81% of consumers are more likely to do business with a company that provides great customer service [7]. In addition, companies that invest in after-sales service are more likely to retain customers [8]. After-sales

service can also provide valuable feedback to companies that can be used to improve product development. By listening to customer feedback, companies can identify issues with their products and make necessary improvements. This can lead to increased customer satisfaction and repeat business.

#### 4. Conclusion

In conclusion, after-sales service is a critical aspect of customer service that businesses must prioritize to enhance customer satisfaction, loyalty, and retention. By providing quality after-sales service, companies can build and maintain a positive relationship with their customers, improve brand image, and ultimately increase profitability.

Through after-sales service, companies can address any issues or concerns that customers may have with their purchased products, thereby increasing customer satisfaction. This can lead to repeat purchases and positive word-of-mouth advertising, which can significantly benefit businesses. Additionally, after-sales service allows companies to collect feedback and insights from customers, which can be used to improve their products and services.

Companies that invest in quality after-sales service can gain a competitive advantage in the market, as it sets them apart from their competitors. A survey conducted by Accenture revealed that 66% of consumers are willing to spend more money on a product if they receive quality customer service [7]. This emphasizes the importance of after-sales service and how it can impact a company's bottom line.

Furthermore, a company's overall strategy to keep customer loyalty and retention must include after-sales service as a key element. It is more economical to keep current clients than to find new ones, and one way to do this is by offering superior post-purchase support. A Bain & Company research found that raising customer retention rates by just 5% could boost profits by up to 95% [4].

In conclusion, having a clear warranty and return policy, easily accessible contact information, technical support, service level agreements, various contact options, training and documentation, and collecting customer feedback are crucial aspects of providing excellent after-sales service. By prioritizing these elements, furniture businesses can establish trust with their customers and ensure they receive prompt and efficient assistance, ultimately leading to a positive customer experience and increased customer loyalty [9]. After-sales service is not just a task to be completed after the sale of a product; it is a critical component of customer service that can greatly impact a company's success. Businesses that prioritize and invest in quality after-sales service are more likely to succeed in the long run by retaining customers, improving brand image, and ultimately increasing profitability.

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