

REPAIRING CUSTOMER SATISFACTION

Unavoidable furniture damage creates an opportunity for this retailer to regain revenue and create a positive customer experience

AT A GLANCE

Company: Large Furniture Retailer

Industry: Furniture & Housewares

Key Challenge: Reducing costs related to product damage and maintaining customer satisfaction

Solution: Leverage their home delivery partner to provide in-home furniture repair services

Outcomes:

- 1. Reduced damage-related costs by over 80%
- 2. Maintained high customer satisfaction
- 3. Avoided hiring and allocating internal resources to manage the in-home repair service

"After waiting many months for their new furniture to arrive, it can be quite disappointing when their new items arrive in less than perfect condition.

Customers are often relieved that FIDELITONE provides a service where within a matter of days, a professional furniture technician will arrive at their home—at a time of their choosing—and make everything right. This is much faster and more convenient than waiting for a replacement item to be shipped."

VP of Strategic Accounts

Background

Damage to furniture during delivery is a persistent pain point for all furniture retailers, resulting in costly repair and return processes. This furniture retailer needed a sustainable solution to address damage issues and guarantee customer satisfaction.

KEY CHALLENGE

The retailer needed a way to reduce the cost of damages and maintain high customer satisfaction and positive customer experiences. Damage to furniture added up: the costs of product replacement, transportation, and re-delivery. Additionally, furniture damage created a poor customer experience and led to declining customer retention and lost sales. In one market, the retailer received 780 annual repair requests. They began working with a third-party furniture repair service to reduce customer returns, but this solution required in-house management and financial resources, which was not cost effective.

SOLUTION

The company partnered with FIDELITONE to provide in-home furniture repair services. With FIDELITONE's resources, knowledge, and experience providing a high level of service for home delivery, handling the furniture repair operations was a natural extension of the last mile delivery services. FIDELITONE leveraged its customer experience team, who already had an intimate knowledge of the client's business, delivery technology, and repair technician network, to provide superior service. FIDELITONE receives repair requests from the client on behalf of their customer or from a FIDELITONE delivery hub, then quickly creates a repair order and schedules the in-home repair appointment with a furniture repair technician. After this, both the customer and the client are notified of the repair appointment date and time. Once the repair is completed, FIDELITONE provides the client with a detailed service summary.

OUTCOMES

The company has successfully reduced its costs related to damaged furniture by nearly \$500K annually, all while maintaining customer satisfaction and preventing lost sales. With the help of FIDELITONE, this retailer transformed a potentially negative customer experience from a damaged product into a positive one, as customers are able to keep and use the product in their home while waiting for repair. Furthermore, the company does not have to allocate time, resources, and personnel to building and managing an in-house furniture repair operation. All told, the retailer retained more than \$1.8 million in revenue annually. Outsourcing the in-home repair services to FIDELITONE has proved to be a sustainable and scalable solution: this service can be rolled out to all markets in which the client operates, leading to overall cost savings of nearly 1.6% of annual company revenue.

REDUCED ANNUAL DAMAGE COSTS

\$500K

in one market

RETAINED ANNUAL REVENUE

\$1.8 MILLION

in one market

Ready to transform your furniture damage into a customer satisfaction success? Call 800.475.0917 to build a custom in-home furniture repair solution that works for you.



EARNING CUSTOMER LOYALTY

FIDELITONE, a supply chain management firm, helps you earn your customers' loyalty through specialized services in inbound logistics, order fulfillment, last mile delivery, and service parts management.

We manage resources, create right-fit solutions, and optimize supply chain processes to advance your business performance and profitability. At every step and in every service, FIDELITONE employees focus on the touchpoints that safeguard your brand and keep your customers coming back.

We're paying attention to what matters to you in your business. We're paying attention to what matters to your customers when you entrust your brand promise to us. We're building high-performing answers to your toughest supply chain challenges.

Call 800.475.0917 or visit fidelitone.com