

Investigating the influential and susceptible factors of the policy-making model for creating added value in after-sales services in the Iranian automotive industry

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Abstract

The aim of the present study is to investigate the influential and affective factors of the identified dimensions of the policy model for creating added value in after-sales services in the Iranian automotive industry. The research method is applicable-developmental in terms of its purpose, and qualitative in terms of its implementation method. The statistical population of the study includes 10 managers and experts of sales and after-sales service agencies, whose sampling was done using a purposive sampling method with the criterion of at least 10 years of experience in sales and after-sales service agencies. The data collection tool is a semi-structured interview, and the interviews continued until the theoretical saturation stage. The DEMATEL technique was used to examine the influential and affective factors of the model. The results showed that the organizational dimension is the most important; the technical services dimension is in second place, and the physical dimension is in third place of importance. Also, the technical services dimension is the most influential; the organizational dimension is in second place of influence, and the physical dimension is in third place of influence.

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Extended Abstract

Introduction

After-sales service is one of the necessities of today's organizations for survival, growth and profitability, and in fact, it is a response to the biggest problems of organizations. With increasing complexity and uncertainty and the speed of technological changes, the survival of organizations depends on successful after-sales service (Susilo & Ikhsan, 2020). Over the past decade, global trade has changed at an unprecedented pace and free markets are expanding around the world. Considering the above, in many organizations and industries, especially highly competitive industries such as the automotive industry, the success of product sales is closely related to the provision of after-sales service, so that today, leading companies in the automotive field seek their expected profit in the supply of parts and the provision of after-sales service (Mollahoseini & Alimirzaei, 2009). After-sales service creates a limited but continuous and reliable stream of revenue over a long period of time. When businesses provide after-sales service, they gain a deep understanding of customers' designs, processes and technologies; knowledge that competitors cannot easily obtain. This creates an incredible but sustainable competitive advantage for companies. Considering these issues, it is not surprising that companies find it difficult to compete in the after-sales service market (Nasir et al, 2024). On the other hand, in today's world, the added value in product production has decreased and the added value has moved from the product production processes to research and development and marketing in which, in addition to developing new products, the provision of services related to products has become of great importance (Moradi et al, 2019). Therefore, the main question of this research is: What are the influential and affected factors of the identified dimensions of the policy model for creating added value in after-sales services in the Iranian automotive industry?

Theoretical framework

Customer loyalty

Loyal customers are people whose desire to purchase a product or service is accompanied by creating a psychological bond and having favorable attitudes towards them or the providing organization (Khan & Fatma, 2019).

Customer satisfaction

Customer satisfaction refers to a summarized psychological state that results from the combination of emotional expectations before purchasing the product and the customer's subsequent feelings about the consumption experience, and is often considered an important determinant of the customer's purchase intention and loyalty to that product and service (Jin et al, 2019).

Service quality

The concept of service quality is the basis of market access quality and is considered one of the most important decisions made by marketers. These decisions include determining the quality of the services to be provided, and a high level of market quality goes beyond customer expectations (Singh et al, 2023).

Value Added

Value added tax is a type of consumption tax levied on the incremental cost of goods and services during the production or supply period (Ibadin & Oladipupo, 2015).

Ezazi & Hoshyar (2024) investigated the effect of service quality on senior loyalty through memorable experience and satisfaction among senior customers of 5-star hotels in Mashhad. The findings show that the electronic customer relationship management variable had a positive and significant effect on product innovation development, and the product innovation development variable had a positive and significant effect on marketing performance. Also,

customer knowledge showed a positive and significant effect on marketing performance and product innovation development, and electronic customer relationship management and customer knowledge had a positive and significant effect on marketing performance through product innovation development.

Sun et al, (2022) investigated the optimization of after-sales service with spare parts consumption and repairman travel. The results showed that the dual concerns of service quality and spare parts consumption lead to an inverse effect on spare parts prices: the service provider reduces spare parts consumption even if the sale of spare parts becomes more profitable. In addition, they showed that the travel time of the repairer has different effects on the optimal service time with respect to the maximum residence time constraint. In particular, by increasing the travel time of the repairer, the service provider increases the repair time to maintain the repair quality at a high level if the residence time is not guaranteed. However, if the maximum residence time is guaranteed, the service provider reduces the repair time to fulfill its promise.

Research Methodology

The research method is applicable-developmental in terms of its purpose, and qualitative in terms of its implementation method. The statistical population of the study includes 10 managers and experts of sales and after-sales service agencies, whose sampling was done using a purposive sampling method with the criterion of at least 10 years of experience in sales and after-sales service agencies. The data collection tool is a semi-structured interview, and the interviews continued until the theoretical saturation stage.

Research Findings

The DEMATEL technique was used to examine the influential and affective factors of the model. The results showed that the organizational dimension is the most important; the technical services dimension is in second place, and the physical dimension is in third place of importance. Also, the technical services dimension is the most influential; the organizational dimension is in second place of influence, and the physical dimension is in third place of influence.

Conclusion

The present study was conducted with the aim of investigating the influential and affected factors of the identified dimensions of the policy model to create added value in after-sales services in the Iranian automotive industry. The results of this study are consistent with the results of Ezazi & Hoshyar (2024), Sun et al, (2022), Behrozi (2022), Vigneshwaran (2021), Habib & Sarwar (2021), Balinado et al, (2021), Ghayumi & Kashtegar (2020), Adusei & Tweneboah (2019), Saidin et al, (2018), and Borchardt (2018). Balinado et al, (2021) showed that among the five dimensions of Servqual, reliability and empathy are significantly related to customer satisfaction in automotive after-sales services. Interestingly, it was found that tangibles, responsiveness and assurance have no significant relationship with satisfaction. The service provider must provide high quality services to meet customer expectations and increase customer satisfaction, which subsequently creates customer trust in the company. With these items, customer retention and loyalty can be achieved by the company, which can also increase the company's profit and competitive advantage.

According to the results of the study, the following suggestions are made:

-Determining the mechanism and new software tools and applications with priority on the agenda of the Automotive Industry Policy Council (as the policymaker of the country's automotive industry) so that supplier companies are required to correct the incorrect method

of existing after-sales services within a specific time period, with proper planning, and improve the index using the aforementioned feedback.

-Management of automobile companies should review defects observed in the first quarter of vehicle ownership (IQS) and place defects related to parts, assembly or production on the agenda of the quality control unit so that those defects can be resolved and minimized within a specific time frame.