



RESEARCH ON MARKETING STRATEGIES OF IKEA



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Declaration/Statements page

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This work has not previously been accepted in substance for any degree and is not being concurrently submitted in candidature for any degree.

Signed Shuyi CUI..... (candidate)

Date 26/09/2024.....

STATEMENT 1

This work is the result of my own investigations, except where otherwise stated.

Other sources are acknowledged by footnotes giving explicit references. A bibliography is appended.

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Abstract

The report seeks to conduct a comprehensive analysis of IKEA's marketing strategies, utilizing marketing analysis tools such as PESTEL and STP. It is organized into five distinct sections. The first chapter introduces the current status of the company and its marketing proportions. The second chapter provides a literature review, offering a concise overview of essential knowledge and academic context, including definitions of key marketing concepts and models. The third chapter outlines the methodology with specific explanation on research paradigms, methods, sample selection, and questionnaire design. The fourth section evaluates the collected data through visualization techniques to assess IKEA's popularity and performance. Finally, the concluding chapter draws a conclusion of the effectiveness of IKEA's marketing strategies, highlighting their strengths and weaknesses, and offering practical and feasible recommendations.

1.Introduction

1.1 An Overview of IKEA

As markets across the globe have witnessed significant transformation across the board, the secrets for enterprises to succeed lies in the performance of their marketing strategies. IKEA, a globally well-known furniture brand, has accumulated a mass of loyal customers and been widely appraised for its unique products and services, with the intention to further increase its global market by upgrading its marketing strategies (Almhult, 2024). The success of IKEA can be largely attributed to its marketing strategy, which is characterized by its originality, creativity, and distinctiveness, all while upholding a clear and transparent value proposition. And its core edge lies in its ability to identify and leverage the factors that drive furniture purchases, applying best practices to influence customer decisions. By offering low prices, an extensive product range, and continually introducing stylish new designs, IKEA aligns closely with customer needs. Their products are designed for easy transport and assembly, contributing to a positive shopping experience. This strategic alignment has led to high customer satisfaction and increased sales. And according to statistics of Statista Research Department (2024), a survey conducted in 2023 revealed that IKEA has remained widely accepted in the UK.

1.2 Research Rationale and Significance

In the face of uncertainty and instability worldwide, global enterprises now have to rise to a myriad of challenges, which requires them to cultivate capabilities to analyze and

enhance their business operation models and marketing strategies so as to scale up competitiveness. IKEA is no exception, given to the fact that it has to contend with intricate internal and external factors caused by various reasons, which have shaped its market performance.

As the COVID-19 broke out a couple of years ago, consumer behaviors and preferences have undergone dramatic changes, resulting in shifts of consumption patterns and taking a toll on nearly all industries including manufacturing, restaurant industry and furniture industry as most of them have been heavily relied on logistics and supply and demand which also have played a decisive role in their marketing performance (Pantano et al., 2020). In this case, companies still have to deal with the side effects of these ensuing dramatic transformation, which lead to the changes of people's shopping habits since they have realized the importance of building a comfortable and convenient home environment. In addition, geopolitical conflicts including the Russia-Ukraine conflict are also one of the potential external factors that affects the IKEA's stable operation, emphasizing the urgency for the company to optimize its marketing strategies to rise to these challenges (IKEA, 2022). Thus, it is imperative for IKEA to discern new changes among its consumers and make necessary improvement so as to retain its existed consumers, attract new ones and scale up its market share in others countries so as to recuperate its losses in Ukraine and Russia.

In the post-pandemic era, Chinese consumers always prioritize Chinese brands over foreign brands to demonstrate their pride in their own culture and express identity (Hu, 2021). And they also have started to attach great importance to brand engagement and

experience, which means they set store by the interactive exchanges occurred in both online and offline shopping experience (Tindall, 2023). These are another two aspects that IKEA is lagging behind other Chinese brands, which requires the guidance of upgraded marketing strategy to rally.

In addition, pressure from competitors such as MUJI, Xiaomi Smart and John Lewis have also dealt a heavy blow to IKEA's sales and market share in different countries. According to Brophy (2019), John Lewis has topped the list of comprehensive ranking for the second consecutive year in the UK, achieving a strong score of +41.2, while IKEA comes in second with a score of +38.9, indicating that the latter one should scale up its competition to enhance its popularity.

Although many researchers have conducted studies about IKEA to evaluate the company's secrets to success and how it should transform to adapt to the new era, seldom have analyzed it from the perspective of marketing to discuss whether the company should make responses and meet consumers' demand across the board in the uncertain and ever-changing time due to various external and internal factors. And such missing research have resulted in a research gap which serves as the central issue of this study. Thus, the top priority for the author is to design a research to figure out the underlying factors that affect the company's further development, issues existed in its marketing strategies and methods to rectify these mistakes.

1.3 Current Situation of IKEA's Marketing Strategies in UK and China

IKEA's marketing emphasizes affordability and sustainability, extending beyond a basic tiered approach. The company offers customized, flexible, and modular furniture that appeals to customers seeking value and durability, even if the products don't come with a lifetime guarantee. IKEA's commitment to sustainability is also reflected in simple items like its reusable shopping bags. IKEA leverages innovative content marketing, such as sponsoring the comedic series *Easy to Assemble*, to differentiate its brand from traditional furniture demos. By incorporating digital marketing campaigns and social media influencers, IKEA has effectively enhanced its brand visibility and appeal (O'Neill, 2023). In addition, IKEA's in-store experience is meticulously designed to drive sales and inspire customers. Products are displayed under optimal lighting and arranged in mock rooms that encourage impulse buying and offer decor inspiration. Exceptional customer service further enriches the shopping experience, fostering customer loyalty. IKEA invests heavily in its digital platforms, ensuring a seamless user experience on its own digital platforms. Features like VR experience and intelligent interactions that allow customers to visualize their ideal home contribute to increased customer engagement. These digital efforts are bolstered by an emphasis on UI/UX design, chatbot for inquiries, and regular updates on offers and promotions (IKEA, 2024). IKEA distinguishes itself among furniture brands through a creative content marketing strategy that combines innovation with humor. Its commercials, print ads, social media posts, and website content consistently capture

attention, effectively conveying the brand's core values and inspiring customers. Additionally, IKEA's free online workshops attract enthusiastic participants, generating leads and further solidifying its market position.

1.3.1 Current Situation of IKEA in the UK

IKEA's retail sales in the UK reached EUR 41.3 billion in FY19, reflecting enhanced customer satisfaction. Jon Abrahamsson Ring, attributes this success to strategic shifts in customer engagement, particularly exemplified by the UK market's transformation. Approximately six years prior, IKEA UK faced stagnant growth, with customers perceiving existing stores as inaccessible and services as costly and unreliable. In response, IKEA UK adopted a holistic approach, especially in London, its largest market. Instead of treating stores and the website as separate entities, the focus shifted to understanding the comprehensive customer interaction with the IKEA brand. This led to the introduction of diverse engagement options, improved services, and the establishment of new stores proximal to where customers reside, work, and socialize (IKEA, 2024).

The traditional large IKEA stores remain integral, as evidenced by sustained visitation and sales; customers often prefer to experience products firsthand before making online purchases. Initiatives like the opening of the sustainable IKEA Greenwich store in South London underscore this commitment. Moreover, the interplay between physical stores and e-commerce is symbiotic: stores bolster online sales, while the website enhances in-store experiences. Recognizing that customers demand seamless integration across all channels, IKEA continues to refine its total market approach

globally to enhance accessibility and meet evolving customer expectations (Amasanti, 2024).

1.3.2 Current Situation of IKEA in China

Owing to changing international environment, people in China have increasingly invested in home decoration to elevate their quality of life, adding momentum to the expansion of IKEA in China's furniture market. With the growth of the entire furniture industry in China, the custom-made furniture market also witnesses a surge thanks to younger generations' pursuit of "home-style" living and the government's three-child policy. Domestic demand, fueled by ongoing urbanization and a preference for products that reflect China's cultural heritage, is a key driver. Additionally, Chinese consumers are becoming more environmentally conscious, prioritizing sustainable materials in furniture manufacturing (Allison, 2023). IKEA has a significant manufacturing presence in China, with suppliers producing over 22% of its global product range. The company emphasizes sustainability through its "People & Planet Positive" initiative, although fully implementing these practices across its vast supply chain remains ambitious.

As of October 2023, a total of 37 brick-and-mortar stores remains operating in China, despite the closure of two locations in 2022. The company remains optimistic about the Chinese market, with 697 million visitors in 2023, a 7.5% increase from the previous year. IKEA aims to enhance its customer engagement and distribution network, ensuring a cohesive and integrated omnichannel experience. (Kashmanian, 2022).

IKEA has introduced innovative storefronts in China, such as the "Home Experience of

Tomorrow” store in Xuhui, Shanghai, which opened in late 2021. This concept store features an open layout, curated inspiration spaces, and community hubs for workshops and social interaction. IKEA aims to meet Chinese consumers’ evolving needs by offering design inspiration and social engagement, rather than just selling furniture. In China, IKEA has made corresponding adjustments in its location strategies to meet local consumers’ demand. The company has shifted from its traditional large-format stores to more convenient urban locations and has invested in e-commerce to enhance accessibility. IKEA’s omnichannel strategy in China includes physical stores, a WeChat mini-program, mobile apps, its website, and a flagship Tmall store, all working together to provide a comprehensive shopping and customer support experience (Chen, 2021). IKEA has also effectively utilized pop-up stores in China, leveraging social media and word-of-mouth marketing to engage younger consumers. These stores, such as the environmentally-focused pop-up in Hong Kong, are of great significance for the company’s strategies.

IKEA’s success in China hinges on its ability to blend its global brand identity with local preferences. By embracing trends such as “Guochao”, a Chinese fashion of increasing cultural identity, and green manufacturing, IKEA has stepped up its dominant position in China’s furniture market (ExamineChina, 2022).

In addition to its signature Swedish offerings, IKEA’s cafeterias in China cater to local tastes by serving regionally-inspired dishes. For example, dim sum is available in Guangdong, Sichuan hotpot is offered in Sichuan, and spicy crayfish is a popular choice in Shandong. During the Chinese New Year in 2021, IKEA released specially made

desserts with the name of “Buddha Jumps Over the Wall” for celebration (Allison, 2023). This approach enhances the customer experience and encourages longer visits to IKEA stores. However, to maintain its authentic brand identity and differentiate its offerings from traditional Chinese cuisine, IKEA incorporates a Nordic twist into these localized dishes and keeps them as limited-time specials.

1.4 Research Objectives and Questions

The major object of the report aims to figure out the clout of evolving consumer behaviors on IKEA’s marketing strategies and how the organization should make responses. Additionally, this study aims to propose suggestion and guidance in strategy-making process and offer recommendations for optimization of its marketing strategies based on the analysis by the author. The following three issues are the priority of this study:

1. How has the COVID-19 pandemic and Russia-Ukraine conflict influenced IKEA’s marketing strategies? Has IKEA developed sustainable strategies to address these challenges?
2. How do consumer markets in China and the UK differ, and what is the impact of varying consumer psychologies and habits on market development and strategy formulation?
3. How have competitors such as MUJI and Xiaomi Smart in China impacted IKEA’s marketing strategy, and how has John Lewis influenced its strategy in the European market?

2.Literature Review

IKEA, as a prominent multinational retailer, exemplifies the application of innovative marketing strategies aimed at enhancing customer engagement and market positioning. By leveraging digital platforms and customer-oriented approaches, IKEA adapts swiftly to changing consumer demands and market conditions. Moreover, external factors such as the COVID-19 pandemic and geopolitical tensions have underscored the importance of resilience and adaptive strategies in responding to the contemporary complex global market environment.

A thorough analysis of IKEA's strategic evolution under such volatility is paramount for understanding its competitive positioning and operational resilience. This examination extends to discerning how IKEA responds to diverse market landscapes, including the distinct consumer markets of China and the UK, while contending with competitive pressures from entities like MUJI and Xiaomi Smart in China and John Lewis in Europe. Insights garnered from such analyses not only offer suggestions to IKEA's strategic decision-making but also contribute to broader scholarly discourse on how multinational enterprises adapt and optimize their marketing strategies in the context of external environmental uncertainties.

2.1 IKEA's Marketing Situation

2.1.1 Historical Development and Core Principles

Established in 1943, IKEA has emerged as a world-famous furniture retailer with global

influence, renowned for its extensive global reach across more than 50 nations and substantial annual revenue generation in the billions (Hivelr, 2024). IKEA aims to achieve 100% sustainability by 2030 and is working towards making its products as non-hazardous as possible. However, a January promotion called “Fortune Favours the Frugal” did not resonate with customers, as the concept was poorly promoted and the high prices for refurbished items were not well received, resulting in low sales and profitability (Liaqat, 2022).

The mid-term and long-term objectives of the company’s mission and vision statement is to provide well-designed, comfortable and multifunctional furniture for customers to enhance their shopping experience so as to attract and retain more customers, which can be achieved by breaking them down into more specific and more achievable goals (Pereira, 2023). Market shifts can directly have influence on business operations, and prediction for a company’s short-term goals can be straightforward and reliable. In accordance with (Murdoch et al., 2020), adopting the “SMART” rule to realize goals would be the optimum method, which suggests that each goal should be specific, measurable, actionable, relevant, and time-bound. Thus, IKEA has declared the innovative effective marketing strategy designed to impress the public with its creative, low-cost and environmentally-friendly products and services and its raising awareness of environmental protection to use refillable bottles, recyclable straws and organic herbs to preserve environment and pursue long-term sustainability (Mahalakshmi et al., 2024). In addition, it also uses digital marketing strategy and tools to promote its own products and services and increase its global impact in different countries and regions.

For instance, the company has initiated a smorgasbord of campaigns on social media including TikTok to magnify its brand impact and step up its customer loyalty by releasing discounts and coupons and responding to customers' complains quickly (Cezim, 2023).

2.1.2 Current Market Shifts

Over the past few centuries, companies are striving to outperform their competitors in every area with various methods during globalization and branding. But most of their methods are traditional ones including TV commercials to promote their products, which seems outdated in the era of digitalization. As the economy becomes ever-more interconnected worldwide thanks to digital technologies, companies have invented more attractive measures promote its own brand across the world so as to enhance its competitiveness and revenue (Javaid et al., 2024).

In the era of traditional marketing, it is unavoidable to adopt traditional strategies that are basically offline marketing to establish relationship with consumers, including printed pamphlets, radio advertisements, newspapers, text messages, and TV commercials, which is considered as the traditional marketing (Pink, 2022). In other words, traditional marketing is heavily relied on massive media to expand potential customers and convince them to make a purchase. And such strategy seems to be a less efficient and more costly method in current era as evidenced by the data collected by McCauley (2022) who argued that the results of traditional marketing were not as ideal as expected because the response rate of these promoting methods only stood at less

than 2%, which means that less than 2 people out of 100 would make response if they receive the promoting messages. And the same thing goes with IKEA when conventional promoting methods are apparently outdated, which requires it to make on-time transformation to adapt to the market shifts.

With the emergence of the internet, ways of reaching out consumers now have been changed dramatically as the internet is a faster and more convenient way for purchasing than conventional ways. Thanks to its advantages, more and more buyers are using the Internet as a reference to make purchasing decisions before they really pay their bill. According to Grubor and Jaksa (2018), the emergence of the Internet indicates fast and unpredictable changes and unseen dimensions in different sectors, and the term itself is expanding everyday with various forms and different content. Such dramatic transformation has not only posed challenges but also created opportunities for IKEA because the booming development of technologies have confused the company and made them hesitate about whether it should discard the original approaches or keep them. On the other hand, however, the newly emerged technologies including AI, IoT (Internet of Things) and e-commerce have brought about enormous amounts of opportunities to expand its global market.

Internet marketing, defined by Strauss et al. (2003), uses digital platforms and methods including e-mails, social media and websites to promote brands by focusing on their target markets and customers' preferences, communicating with consumers and delivering goods and services via online platform, with the goal of creating as much value as possible for themselves. And its ultimate goal is more than generating profits,

but to increase their exposure through online advertisers to gain more traffic, attracting more consumers and expand their market (McCoy, 2021). And many scholars have also compared the traditional marketing and the internet marketing to summarize their pros and cons. According to Salehi et al. (2012), internet marketing can help businesses save more energies and money to contact their customers directly and exploit their potential customers worldwide, whereas the traditional marketing enables consumers to visit brick-and-mortar stores in person so as to feel and touch the products they intend to purchase. In this increasingly changing era, both of them have demonstrated their unique advantages and companies should make their own decision to either choose one of them or to combine them to create new approaches in an effort to respond to these unexpected changes.

Aside from the progress of the Internet, digital transformation is also accelerating with a smorgasbord of driving forces including AI, Internet of Things (IoT), Internet of Vehicles (IoV) and Virtual Reality (VR). The emergence of these technologies that lead to digital disruption and digital transformation of marketing have changed consumers' demand and their purchasing behavior. And the global economy has also evolved into a digital economy with the definition that part of economic performance mainly relies on digital technologies or business models (Bukht & Heeks, 2017). And the digital transformation, according to Gillpatrick (2019), is to pursue innovation and prioritize customers' preferences by adopting cutting-edge technologies so as to improve their purchasing experience and foster a healthy relationship. And such transformation is also beneficial for IKEA who realized the change relatively slower than others. After

realizing that more urban residents started to gain access to technologies and smart home assistance, the company has embarked on a transformation journey worldwide not only to figure out the current preferences of consumers and provide convenience and accessibility for them, but also make on-time and corresponding responses to exploit the global market and consolidate its position in current markets (Stackpole, 2021).

2.1.3 Analysis of IKEA and Its Marketing Strategy

IKEA's marketing strategy is pivotal to its success, characterized by originality, creativity, and a clear value proposition (Cassinger, 2018). In pursuit of the strategy of affordability and sustainability, IKEA has offers customized, flexible, and modular furniture solutions, effectively merging the two advantages (Ludmir, 2023). While its products are not guaranteed for a lifetime, they are designed for durability, and even their reusable shopping bags underscore a commitment to environmental responsibility (Metcalf, 2019).

IKEA has also proposed its own innovative content marketing strategy by leveraging sponsorships and conducting cooperation influencers to promote creative commercial ads, for instance, releasing a web series called "Easy to Assemble" to establish relationship with its customers and really delve into their needs and preferences (Lloyd, 2011).

In addition to the web series, it has also figured out digital strategies such as social media, podcasts and mobile applications to advertise its own brand, all of which are

conducive to having close interactions both online and offline with its customers (Harper, 2023). And its own app also has a unique feature that enables customers to plan and decorate their homes and visualize their dream homes online, thereby increasing the appeal of low-demand items and offering them more vivid shopping experience online (Grant, 2023).

IKEA has been well-known for its outstanding shopping experience in brick-and-mortar stores as it offers customers with gorgeous and comfortable furniture to drive their impulse purchases (Sharma, 2018). The company also excels in customer service, ensuring a memorable experience that encourages repeat visits

And IKEA also employs the strategy to optimize its search engine results, called SEO strategy, aiming to raise its search rankings on social media including TikTok and YouTube and search engines like Google and Bing so that buyers can unintentionally notice reports of its products. As a result, it can attract more online visitors than its competitors and improve their purchasing willingness because most online users will only stay on the first page of Google's page (Reynolds, 2023).

● **Impact of COVID-19 pandemic on IKEA**

The COVID-19 extends beyond a mere health crisis, dealing a heavy blow to countries' both social and economic conditions, inevitably affecting people's work, communication, and shopping habits more profoundly than any other disruption in the past decade. According to Di Crosta et al. (2021), this profound circumstance has significantly impacted consumer sentiments and actions, indicating that the global spread of the virus has resulted in a worldwide shift in expenditure patterns linked to

consumer behavior.

And the three years of pandemic has spelt doom for the global economy and industries across the board, for instance, the retail industry and logistics industry. IKEA was forced to shut down three quarters of its stores per week in Europe and China because of the lockdown and the strict policies to contain the spread of the virus, leading to the plump of its revenue by nearly 75% (Spaven, 2022). In addition, the company's supply and demand chains as well as its transport network have also been hit hard by the pandemic, as people who are responsible for manufacturing, delivering and distribution have all been driven home by the lockdown policy or been infected by the virus. And its assembly lines in the UK, China and other countries were also unavailable due to the shortages of labor forces during the pandemic over the past couple of years. According to Hou (2022), a total of 22 brick-and-mortar store in the UK and Ireland have been suffering from supply shortages as approximately one tenth of their stock, nearly 1000 product and assembly lines, are disappearing in the markets. In response, the company has shifted its investment focus on smaller urban city stores supported by enhanced digital and after-sales services so as to adapt to the changing consumer behaviors; and its traditional suburban stores will continue to serve as major distribution centers for its online orders (Ringstrom, 2022)

● **Impact of Russia-Ukraine conflicts on IKEA**

Except the disrupted supply chain disruptions caused by the unexpected pandemic, IKEA also has faced unprecedented challenges brought by the war in Ukraine, which carries global implications on its revenue. The resulted inflation and supply chain issues

led to increasing costs and rocketing prices. However, the company's sales declined, whereas its costs were rising, indicating that the company was struggling to keep its economic performance robust (AP News, 2022). And it has exited Russia and its ally Belarus and had to lay off about 10,000 workers in these two countries, which greatly impacted the company's global market (Liffey, 2022).

2.2 Definitions of Marketing and Consumer Behavior

To effectively analyze IKEA's marketing strategies and its response to dynamic market conditions and changing consumer behaviors, a comprehensive understanding of fundamental marketing definitions is a must. Kotler (2003) defines marketing management as the process of identifying and targeting suitable markets to increase a company's market share and profitability. Central to this approach is building strong relationships with local consumers, who bring new opportunities and drive organizational growth. For business managers, customer value and satisfaction are critical components, as they are fundamental to successful marketing.

As a multinational company, it is paramount for IKEA to interpret the changing international market and business so as to make on-time responses when globalization is advancing at a speed never seen in a century, generating enormous amounts of opportunities both in emerging markets and advanced markets. Global marketing involves the strategic planning, production, distribution, and promotion of a company's products and services across global markets with the intention to attract international consumers and step up its global implications. It requires businesses to identify and seize opportunities existed in the international market by releasing and tailoring new

products and adopting new marketing strategies to fit different cultural, economic and social environments in different regions and countries (Schlegelmilch, 2023).

2.2.1 Global Marketing Strategies

To better understand the international marketing and differentiated demands of consumers from different countries and regions, corresponding global marketing strategies are necessary for organizations to expand their business. Thus, understanding of the related concepts are also vital. A total of three types of global marketing strategies were proposed by scholars from perspective of standardization, configuration and coordination, and integration.

- **Standardization:**

From the point of view standardization, companies tend to adopt to such global marketing strategies when they have standardized marketing programs in other countries and regions, especially in sectors of product manufacturing, offering, distribution, price and channel structure (Keegan, 2013). This inspires companies such as IKEA a fact that customers in different places of the world tend to have similar preferences on some particular products and services and the advantage for them is to produce high-quality products and services with low costs.

- **Configuration and Coordination:**

From the perspective of configuration and coordination, global marketing strategy refers to different methods that companies can leverage to forge synergies in different markets across the world and demonstrate their unique strengths and advantages

particularly in host countries. To this end, companies like IKEA must optimize their value chains, maximize their profitability and coordinate their efforts in different markets (Craig & Douglas, 2000).

- **Integration:**

From the point of view of integration, the key to realize success in global markets lies in gaining competitive leverage and edges from participating in related commercial activities in host countries of the market (Birkinshaw et al., 1995). Ideally, IKEA should integrate all three perspectives of global marketing strategies to enhance its performance in Europe and China by customizing their products and services in different countries and regions so as to meet consumers' needs.

2.2.2 International Business and Cultural Marketing

International business refers to economic activities between different individuals, companies and countries, including transactions and exchanges of products, services, or resources, among which foreign trade and investment are the most vital (Smelser, 2001). In addition to understanding global marketing strategy and international business, multinational companies such as IKEA also need to step up its efforts to familiarize the local cultures and release special products and services containing cultural connotation. Therefore, cultural marketing also serves as a vital concept for these companies. According to Kaynak and Herbig (2014), cross-cultural marketing involves customizing marketing efforts to resonate with specific cultural groups in different countries and regions and it acknowledges that a one-size-fits-all approach is

unfeasible in the diversified international marketing. Cross-cultural marketing, normally involving massive cross-cultural differences, integrates cultural elements into local products and services so as to establish a connection with consumers (Engelen & Brettel, 2011). As a result, such measures require IKEA to have a deeper understanding of what people love in China, Europe and other regions and countries, and then promote tailored products and services in accordance with their preferences, which is one of the most crucial steps to expand its market share in these markets.

2.2.3 Consumer Related Concepts

Based on the above interpretation of marketing management, global marketing strategy, international business and cultural marketing, effective marketing management is closely tied to strong customer relationship management, encompassing customer value and satisfaction. This approach enables IKEA to develop consumer-focused marketing strategies that adapt to evolving consumer behaviors. And the vital elements of marketing to succeed are anticipating, recognizing and fitting customers' demand in a profitable manner. Consumer buying behavior, which refers to the purchasing decisions of individuals for personal or household use, is heavily influenced by external factors and serves as a key indicator of the success of a company's marketing strategies, as it reflects consumer responses to these strategies (Dibb et al., 2023).

● Consumer Value and Demand

Before formulating marketing strategies, organizations must first identify consumer needs and the factors they value. According to Maza (2024), customer value is the

amount of benefits and value that products and service can deliver to customers, a concept that has evolved over time. While consumers once focused solely on price and quality, they now also consider additional product features, such as how they contribute to well-being and ease daily life burdens.

Companies must also understand the importance of delivering tailored products and services to suit various needs of consumers. According to the theory of Maslow (1943), consumers' demands have been divided into five different aspects: physiological needs (basic necessities), security needs (protection and safety), belonging needs (social acceptance and group identity), esteem needs (purchasing items to showcase status), and self-actualization needs (happiness and personal fulfillment). In practice, consumer needs drive purchasing decisions, and thus organizations should set store by their evolving demands for greater achievements (Tomas, 2023).

● **Consumer Satisfaction**

Consumer satisfaction is to evaluate whether a company's products have convinced consumers of its quality, efficiency and the generated profitability (Zeithaml, 1990). Westbrook (1980) describes customer satisfaction as an emotional response to a company's products, services, or purchasing experiences. Combining these views, consumer satisfaction serves as a crucial indicator of purchase intentions and brand loyalty. Therefore, it is imperative to optimize promotion strategies in an effort to tackle challenges brought by changing consumer behaviors.

2.3 Definitions of Marketing Models

This research utilizes two models, the PESTEL and STP models, to evaluate the internal

and external factors influencing IKEA, with a focus on consumer behavior. The PESTEL model provides a comprehensive analysis of external factors affecting consumers, which in turn impact IKEA. The STP model assesses how IKEA's marketing strategies influence consumer behavior and how the company can rise to challenges brought on by these behavioral shifts.

● **PESTEL Analysis**

The PESTEL analysis is an essential framework for examining an organization's macro-environment by considering the effects of six critical dimensions: Political, Economic, Socio-Cultural, Technological, Ecological, and Legal factors (Johnson et al., 2014).

Political factors encompass the effects of government policies, political instability, and international conflicts on business operations. In the context of instability and uncertainty, governments may also release a series of regulations and policies to manipulate economy, affecting companies' operation.

Economic factors include interest rates, inflation, and tariff wars, but unforeseen events, such as the COVID-19 pandemic, can also significantly disrupt national and global economies, adversely affecting multinational corporations.

Socio-Cultural factors relate to diverse cultures and demographic trends that influence consumer behavior and decision-making (Lim, 2020).

Technological factors involve advancements in technology, innovation, research and development levels, and the implementation of cutting-edge technologies. Currently, developments in artificial intelligence (AI) and the Internet of Things (IoT) have

revolutionized business operations, enabling companies to utilize cross-border e-commerce to reach customers globally.

Ecological factors are increasingly prioritized by corporations as the impacts of climate change become more evident. With a growing recognition of the importance of Corporate Social Responsibility (CSR), which requires companies to assume social and environmental responsibilities, ecological considerations have emerged as a primary focus for many companies (Peterdy, 2023).

Legal factors pertain to legislative and regulatory changes or constraints that can present both risks and opportunities for businesses.

According to Paredes (2023), PESTEL analysis, often compared with McKinsey 7S Framework and Porter's Five Forces framework, is considered as a tool to assess factors and forces outside organizations so as to evaluate how they operate and perform, diagnose their issues and forecast their growth and decline during the process. And Yüksel (2012) pointed out that PESTEL model remains robust and useful currently as it is one of the strategic tools to assess macro-environment of businesses including external threats and hardships, analyze their own drawbacks, set up long-term goals and rise up to unexpected challenges in the current era of uncertainty, all of which are its unique advantages compared to other tools and models. In addition, a series of researchers have also applied this model to analyze the future development of IKEA.

● STP Analysis

The STP model, a three-step marketing framework comprising segmentation, targeting, and positioning, was introduced by Smith (1956). In his opinion, the model analyzes

and re-constructs big markets and evaluate the more specific segments to propose marketing recommendations. It encompasses the process of choosing the most profitable and suitable segment with the greatest potential for growth and suitable segment with the greatest potential for growth and devising targeted marketing strategies accordingly.

Kotler and Armstrong (1994) define segmentation as a procedure to separate a bigger market with similar characteristics into different smaller and specific markets with various features in accordance with varied consumer demands. The second step, targeting, involves leveraging newly emerged means such as social media to reach out potential customers. Gavett (2014) emphasizes that businesses must evaluate each segment against established criteria for successful segmentation, including identifiability (recognizing customer attributes), substantiality (potential for significant profits), accessibility, stability (consistent over time), differentiation (distinct needs compared to others), and actionability (ability to deliver products and services) before deciding on their investment strategies. The final step, positioning, focuses on how organizations promote their products to the chosen customer segments from the previous steps by offering personalized services. By implementing the STP model, organizations can effectively target high-value consumers with hyper-customized services while also reducing marketing costs.

In accordance with Warudkar (2023), STP model can help organizations to separate their target markets and audience based on their common features so as to set reasonable prices for their products and services that are more acceptable for their customers, thus

reducing unnecessary advertising and promoting costs. And it can also summarize the similar demands of customers and differentiate their preferences, thereby avoiding risks of choosing when and where to set up new markets. As Barton (2015) mentioned in her research, STP is conducive to exploring how IKEA has always offered attractive furniture to its customers and maintained a sound relationship from the perspective of customer relationship management, which demonstrates that this model remains useful and practical.

3. Methodology

A well-designed research always aims to either fill the gap of previous academic research or to explore new answers of unknown sectors in an effort to make contributions across the board, rather than just collecting data and information or making interviews because this is only one of the necessary steps to fulfill a comprehensive research (Goddard and Melville, 2001). And the purpose of the report is to evaluate how IKEA has responded to the changes brought both internal and external factors through updating its own marketing strategies.

According to Sreekumar (2023), research methodology refers to the science-oriented and logical academic approach to solve a problem systemically, or a scheduled plan to conduct research and verify the proposed hypotheses. In fact, research methodology provides a scientific foundation and specific framework for researchers to ensure that the research process will proceed smoothly and be controllable (Pandey, 2021). And a sound research methodology can serve as a stabilizer to ensure that the research is valid and reliable and can avoid unnecessary errors and mistakes as much as possible (Snyder, 2019). But research methods and research methodology are two confusing concepts that may puzzle many researchers partly because some claim that two of them are functionally equivalent in some cases. Mills and Birks (2014) also believed that research methods and research methodology are interconnected and have a lot similarities, but the two concepts are also heterogeneous as research methods refer to the means to gather information and data, whereas methodology is the theoretical

guidance for the research. In other words, research methods are measures taken to garner necessary information and research methodology intends to explain why these measures are optimum and how they will be effective.

3.1 Research Paradigm

According to Omodan (2024), research paradigm plays a pivotal role in providing guidance for scientific discoveries as it can offer assumptions and theoretical foundations. As dichotomies and paradigms have already been applied in social scientific research and compared and analyzed in many academic papers including qualitative and quantitative methods and positivism and interpretivism, it is noteworthy to ascertain the meaning of this term (Fitzgerald & Howcroft, 1998). In Cohen et al. opinion (2018), the word “paradigm” often refers to “a series of hypotheses and presumptions of some certain research topics that need to be proved and can be guided by principles”. Thus, the research paradigms can be defined as the theoretical framework or philosophical guidance upon which research can rely while operating as they are the underlying foundation (Pretorius, 2024). Healy and Perry (2000) have categorized research paradigms into four major types, such as, positivism, interpretivism, critical theory, and realism, which will be introduced in the following sectors.

3.1.1 Positivism

Positivism, or positivist paradigm, heavily depends on measurable methods and reason, and thinks that knowledge should be derived from a neutral and quantifiable activities

and actions of measurement or observation, otherwise the results will be unconvincing and uncertain if they cannot be quantified (Kivunja & Kuyini, 2017). Positivism supporters always believe that everything in reality can be understood and demonstrated by measurement, thus proposing that quantitative methods are optimum to serve as theoretical foundation for conducting research and even to quantify the whole world (Abbadia, 2023). And they also argue that true scientific knowledge can always be gained through experiments or observation activities without theory support, which make them prone to select science-oriented methods to produce knowledge (Kaushik & Walsh, 2019). And this has perfectly explained why positivists always prefer quantitative measures such as information collection rather than qualitative methods. As the research intends to analyze how IKEA has responded to the changing market and consumer behaviors caused by internal and external factors through transforming their marketing strategies and whether their strategies are effective or not, online questionnaire would be an ideal and optimum method to help the researcher to collect objective data and assess the company's actions. As a result, positivism will be the appropriate research paradigm.

3.1.2 Interpretivism

Normally, all empirical research and enquiry tend to adopt interpretivism as the chosen research paradigm as Ryan (2018) proposed that all truth and knowledge in reality are subjective and can be different from person to person because various people have their lifer experiences and cultural cognition. According to Rahi (2017), interpretivism

always involves researchers integrating their subjective elements and opinions and their own social experiences into study as interpretivism supporters argue that the whole world is a subjective social network that each individual may have their own understandings towards the reality from different perspectives. In accordance with Collins (2024), interpretivism is interconnected with philosophical concepts such as idealism and has integrated a smorgasbord of research methods including hermeneutics and social constructivism. And such paradigm is at the opposite end of positivism as it rejects opinions of objectivists, arguing that meaning is independent and separated from the consciousness in the world (Kreuger & Neuman, 2006). Berryman (2019) believes that interpretivism researchers are supposed to make outlines logically so as to explain questions of “how” and “why”. Thus, it is paramount for them to integrate their subjective cognition and opinions into research as they argue that human interactions can better explain the meanings (Pervin & Mokhtar, 2022). In other words, interpretivism prioritize qualitative research methods to collect data such as interviews in an effort to discover deeper understanding and interpretation of the investigated research topic (Keong et al., 2023). Considering the fact that this research aims to garner objective comments of respondents, the subjective research paradigm is inappropriate for guiding this research as it may lead to some serious mistakes that can impact the final results.

3.1.3 Contrast Between Positivism and Interpretivism

Based on the previous evaluation of the two most fundamental research paradigms,

their differences are easy to discern: positivism argues that researchers should apply quantifiable and measurable methods such as surveys and questionnaires to study their topic as objectivity plays a decisive role in determining whether the final research results will be accurate and reliable, whereas interpretivism believes that each individual is a unique person with different characteristics and human interactions can deepen their communication which is conducive to exchanging their subjective opinions on certain topics. And the more specific difference between two paradigms are as follows:

Positivism tends to ↻	Interpretivism tends to ↻
Use large samples ↻	Use small samples↻
Have an artificial location ↻	Have a natural location↻
Be concerned with hypothesis testing ↻	Be concerned with generating theories ↻
Produce precise, objective, quantitative data↻	Produce ‘rich’, subjective ,qualitative data↻
Produce results with high reliability but low validity↻	Produce finding with low reliability but high validity↻
Allow results to be generalized from the sample to the population ↻	Allow findings to be generalized from one setting to another similar setting↻

Table 1

In conclusion, positivism prioritizes objectivity and quantitative measurement with large sample size to generate highly convincible results, which is on the contrary of interpretivism which argue that research should be conducted from the perspective of subjectivity of human interaction and communication, whose results are likely to be inaccurate (Junjie & Yingxin, 2022). And the thorough comparison between two of them indicate that research who needs credible and objective results should choose positivism, which also explains why this report adopts positivism as the guiding principle to evaluate the effectiveness of IKEA’s marketing strategies.

3.2 Research Method

Research methods refer to the systematic methods or approaches applied to amass data or evidence with the intention to explore new discoveries or enhance comprehension of a subject and different research methods employ various tools for data collection (University of Newcastle Library, 2024). Formulating research methods is a crucial component of research design. And the three widely-used methods are the qualitative method, the quantitative method, and mixed methods. Qualitative research focuses on understanding the reasons behind actions and how individuals perceive their experiences, providing context and generating hypotheses. In contrast, quantitative research aims to verify assumptions through a systematic cycle of hypothesis formation, creativity, discipline, and patience during the planning and design phases (Ghanad, 2023). In quantitative research, findings have the potential to illuminate how a large population perceives an issue and the range of perspectives held. Additionally, certain quantitative research inquiries necessitate the researcher to delineate the impact of one variable on another. Quantitative research involves the collection of statistically significant data from both current and potential customers using sampling methods, including online surveys, polls, and questionnaires. (Fleetwood, 2024).

In this context, this study employs a quantitative approach to maintain reliability and objectivity because the report aims to assess whether the updating of marketing strategies of IKEA is effective or not while facing internal and external challenges by evaluating the collected data of online questionnaires.

3.2.1 Advantages of Oline Questionnaires

A research questionnaire is a typical and widely accepted method for data collection that are composed of various questions with internal logic to reach a conclusion of some certain research (Caduff & Ranganathan, 2023). Questionnaires are highly popular in quantitative research guided by positivist philosophy due to their cost-efficiency and ability to swiftly gather substantial data from broad samples. They are practical, easily standardized, and enable comparisons across various groups and locations (Patten, 2017). The first advantage is that online questionnaires are more time-saved and energy-saved. Since the author aims to collect information to compare IKEA's market conditions in China and the UK, opting for online surveys is more feasible and economical than conducting face-to-face interviews. And the second advantage is the ability of online questionnaires to gather large-scale data globally, as participants can access and complete them from various geographical locations. This extensive data collection ensures research accuracy and serves as the data base for the following evaluation and comparison.

3.2.2 Disadvantages of Oline Questionnaires

While emphasizing the benefits of using questionnaires in research is important, it is also wise to recognize potential disadvantages. This awareness allows researchers to address and mitigate these issues during both the initial questionnaire design and its implementation with respondents. According to Nigel Lindemann (2023), a major challenge for marketers conducting surveys is respondents providing dishonest answers,

often subconsciously believing their responses are true and beneficial. Dishonesty can stem from reluctance to address sensitive topics, a desire to give socially acceptable answers, or an intent to influence the survey outcome. As a precautionary measure, researchers should assure participants that their privacy will be unconditionally protected. It is essential to ensure participants feel valued regardless of their opinions. Furthermore, a significant drawback of using questionnaires is their inflexibility. Once distributed, making changes to a questionnaire can jeopardize data integrity, unlike interviews or focus groups where adjustments can be made immediately. This rigidity may result in missed opportunities to capture crucial insights or tailor the survey to better meet respondents' requirements. To mitigate this issue, it is crucial to meticulously plan and pilot-test questionnaires in advance, ensuring they are comprehensive and adaptable enough to effectively gather pertinent insights (David, 2024).

3.3 Research Sample

Researchers face the challenge of not being able to collect data from every individual in a group when conducting studies. And the alternative plan is to select a small group of subjects in advance who are willing to be participants of the research. To ensure the validity of such a plan, researchers must carefully decide how to choose a sample that accurately represents the entire group. Researchers must first grasp the distinction between a population and a sample, and clearly define the target population for their research. The population refers to the entire group under study, from which conclusions are sought. In contrast, the sample comprises the specific individuals from whom data

will be collected. The population can encompass various characteristics such as geographic location, age, income, and more. Defining the target population precisely aligns with the goals and logistical considerations of the research project, which is also conducive to choosing appropriate research sample (McCombes, 2022).

3.3.1 Sampling

A total of two major sampling methods are common in the academic community. Probability sampling enables researchers to conduct statistical evaluation about the entire population while reducing selection bias. Conversely, non-probability sampling aims to simplify the sampling process on the basis of convenience or specific criteria. Probability sampling includes four key methods: simple random sampling, cluster sampling, systematic sampling, and stratified random sampling (McCombes, 2022). Simple random sampling contains the random selection of individuals from a population, guaranteeing that each member has an equal opportunity of being selected. In accordance with demographic factors, such as geographic location, facilitating targeted data collection, cluster sampling separates population into various clusters. Systematic sampling selects respondents at regular intervals from a population list, ensuring a structured approach to sample selection. Random sampling divides the population into several groups according to predefined characteristics, ensuring proportional representation of each group in the sample. These methods enable researchers to obtain representative samples that support robust statistical analysis and generalizable research findings (Fleetwood, 2023).

With the intention to fulfil the above objectives mentioned in Chapter one, the researcher will adopt both convenience sampling and voluntary sampling methods to save time and costs while ensuring the research's randomness and accuracy. McCombes (2023) noted that the drawback of convenience sampling is that the data may have flaws as they may not represent all participants, thus limiting the generalizability of results across different contexts. Conversely, voluntary sampling can mitigate sampling bias and selection bias. Therefore, both sampling methods will be employed in this study.

3.3.2 Sample Size

In survey research, ensuring a sufficient sample size is essential for the generalization of findings. Without an adequately sized sample, it becomes challenging to extend the research conclusions to the broader population (Rahman, 2023). For instance, a small sample size may disproportionately include outliers, thereby affecting the accuracy of the results. Conversely, a large sample size can complicate the research process, making it more expensive and time-consuming than anticipated. A larger sample size will more accurately represent the population and yield more precise results. However, the improvement in accuracy becomes marginal beyond a certain point (Andrade, 2020). Sample sizes are typically determined by evaluating three primary factors: cost, variance, and statistical power (Singh & Masuku, 2014). Taking these factors into account, along with data collection time and geographic considerations, the estimated sample size ranged from 100 to 120 participants (Schoemann et al., 2014). Eventually, both participants in China and the UK will be invited, but only 100 questionnaires will be taken into account.

3.4 Questionnaire Design

As the core component of research, questionnaire design plays a decisive role in delivering a smooth proceeding of the whole research because its questionnaire results are the most crucial part for the following evaluation. The process of designing a questionnaire is more complex than expected because the questions it contains can vary from different degrees of detail with disparate emphases, and how these questions are proposed and even the order and form of these questions can have impact on the final results (Krosnick, 2018). In this case, creating an appropriate questionnaire requires designing viable and practical questions that are conducive for researchers to realizing their research aims and objectives by sequencing the questions in an orderly manner (Bhandari, 2023). And questionnaires can be divided into structured and unstructured questionnaires. The former type means that questions contained in the questionnaires have already offered predefined answers or options for respondents to choose, producing more specific and measurable results for research, whereas the unstructured one have no limitations for respondents, which mean they can give detailed and unrestricted answers as they want, offering freedom for them to describe their opinions (Thomas, 2023). Apparently, the results of structured are more accurate and easier to analyze and interpret because most of the answers would be straightforward and they have lower margin of error as the structured questionnaires enable researchers to collect data and answers from a large scale (Taherdoost, 2022). In comparison, the unstructured type enables respondents to deliver open-minded comments which can hardly be quantified, leading to infeasibility of the research analysis. Therefore, the report will

choose structured questionnaire. More importantly, the number of questions in the questionnaire should not be excessive and the content need to be concise and straightforward, otherwise it can deal a heavy to respondents' zeal of filling out the forms, leading to the decrease of response rate (Pew Research, 2021). Therefore, a total of 12 questions that are highly associated with the research topic will be listed in the questionnaire.

3.5 Piloting Questionnaire

Pilot testing enables researchers to assess their complete questionnaire under actual survey conditions. The main objective is to identify and address any issues prior to launching the full survey. This process emphasizes evaluating the validity of each question to ensure it effectively captures the intended information. Researchers need to analyze various aspects of the questionnaire, including the flow of questions to support coherence, initial response rates, average completion times per question, questionnaire length compared to estimated completion times, instances of respondent confusion, and the effectiveness of question types in enhancing clarity and response efficiency. The pilot test should involve a sample size that mirrors the target population, allowing researchers to gather feedback from respondents on their survey experience. Observing respondent behavior during the survey and noting hesitations or errors provides valuable insights into areas needing improvement in question clarity and layout (Cleave, 2024).

Consequently, the online questionnaire focusing on IKEA's marketing strategies was distributed to five participants beforehand. Following analysis of their completed

questionnaires, several revisions were implemented. Specifically, redundant questions were removed to improve conciseness and logical coherence.

3.6 Reliability and Validity

3.6.1 Reliability

Reliability refers to the consistency of a method in measuring a particular phenomenon.

A measurement is deemed reliable if it produces the same results when the same methods are utilized under similar conditions (Middleton, 2022).

The reliability of a questionnaire is crucial for ensuring consistency and accuracy in research findings. Methods such as test-retest reliability assess the stability of responses over time by administering the same questionnaire to the same individuals at different intervals. This helps determine whether the measured construct remains stable without significant changes. Inter-rater reliability evaluates the agreement among multiple assessors using the questionnaire, providing insights into the consistency of ratings across different evaluators. Both test-retest and inter-rater reliability are assessed using statistical measures like correlation coefficients and kappa statistics to quantify the degree of agreement or consistency. Ensuring high reliability through these methods enhances the confidence in the questionnaire's ability to yield dependable and replicable results in research studies (Middleton, 2022).

To ensure high research reliability, a variety of research methods have been employed to gather data and validate the research's quality during the measurement process. The chosen method, specifically the use of online questionnaires, is noted for its cost-

effectiveness, accessibility, and convenience for both researchers and participants, while also minimizing direct interaction between researchers and respondents. To mitigate questionnaire errors and participant bias, a pilot study approach has been implemented. Furthermore, instructions have been incorporated into the questionnaires to ensure clarity and comprehension among all respondents. Additionally, a combination of convenience sampling and voluntary sampling methods has been adopted to enhance data quality. Together, these measures significantly contribute to improving the reliability of the research findings.

3.6.2 Validity

Validity refers to the extent to which a method accurately measures its intended objective. High validity in research suggests that the results accurately represent true characteristics, attributes, and variations in physical or social contexts. Reliability serves as an indicator of validity; a method lacking reliability is unlikely to be valid (Middleton, 2022).

The validity of a questionnaire can be evaluated through several distinct methods, tailored to the nature of the research—whether quantitative or qualitative. Face validity assesses the questionnaire's appearance and layout to ensure it appears suitable for its intended purpose. Content validity examines the extent to which the questionnaire covers all essential aspects of the construct being studied, ensuring comprehensive representation of relevant domains. Criterion validity measures how well the questionnaire correlates with established criteria or standards, providing insights into

its accuracy compared to validated measures. Construct validity evaluates whether the questionnaire accurately measures the intended concept and its relationships with other variables, encompassing both convergent and discriminant validity. Finally, internal consistency examines the correlations among items within the questionnaire, indicating the reliability and coherence of the overall instrument. These validity assessments are crucial for ensuring that research instruments yield valid and reliable data for analysis and interpretation (Ranganathan et al., 2024). To ensure the study's validity and feasibility are robust, the online questionnaire has been meticulously designed based on a thorough literature review and the overall research framework. It excludes leading questions that could potentially bias the results, aiming for impartial findings. Furthermore, a pilot study will be conducted with select participants to identify and rectify any questionnaire errors prior to full-scale implementation. The entire data collection and analysis process, centered around the questionnaire, will be overseen by a supervisor who will provide guidance to uphold validity standards.

4. Data Analysis

The responses to the questionnaire were collected from August 6th to August 12th, 2024.

All questionnaires were completed in full by respondents, with no errors identified during the data collection process. To achieve a thorough and comprehensive evaluation, STP has been chosen to assess the effectiveness of IKEA's marketing strategies based on the questionnaire results. The questions addressed three key areas: participant demographics, their perceptions of IKEA, and their views on its marketing strategies.

In this section, the STP model will be used to assess the company's market segmentation, targeting and positioning markets to determine if IKEA has effectively selected the appropriate markets and target consumers.

4.1 Analysis of Consumers' Preference





Figure 1

The results of Figure 1 reveal distinct preferences in two countries. In the UK, online advertisements are the dominant factor, cited by 56% of participants, followed by social media (48%). In contrast, recommendations from personal networks and promotional activities in China were the leading drivers, accounting for 56% respectively, with social media posts following at 40%. These findings highlight the need for region-specific marketing strategies, with a focus on digital advertising and social media in the UK, while leveraging personal recommendations and promotions in China to enhance consumer engagement and drive sales, showcasing that tailoring marketing methods to local consumer behaviors is crucial for IKEA's success in these distinct markets.

The analysis indicates significant differences in consumer preferences between the UK and China. In the UK, online advertisements and social media are key drivers of consumer behavior, with online ads being the most influential factor. In contrast, personal recommendations and promotional activities play a more significant role in China, followed by social media posts. These findings underscore the necessity for IKEA to implement region-specific marketing strategies: prioritizing digital advertising

and social media in the UK, while focusing on personal recommendations and promotions in China (Zhou, 2024). And tailoring marketing approaches to the unique behaviors and preferences of each market is essential for enhancing consumer engagement and boosting sales.

4.2 Analysis of Participants’ Opinion on IKEA

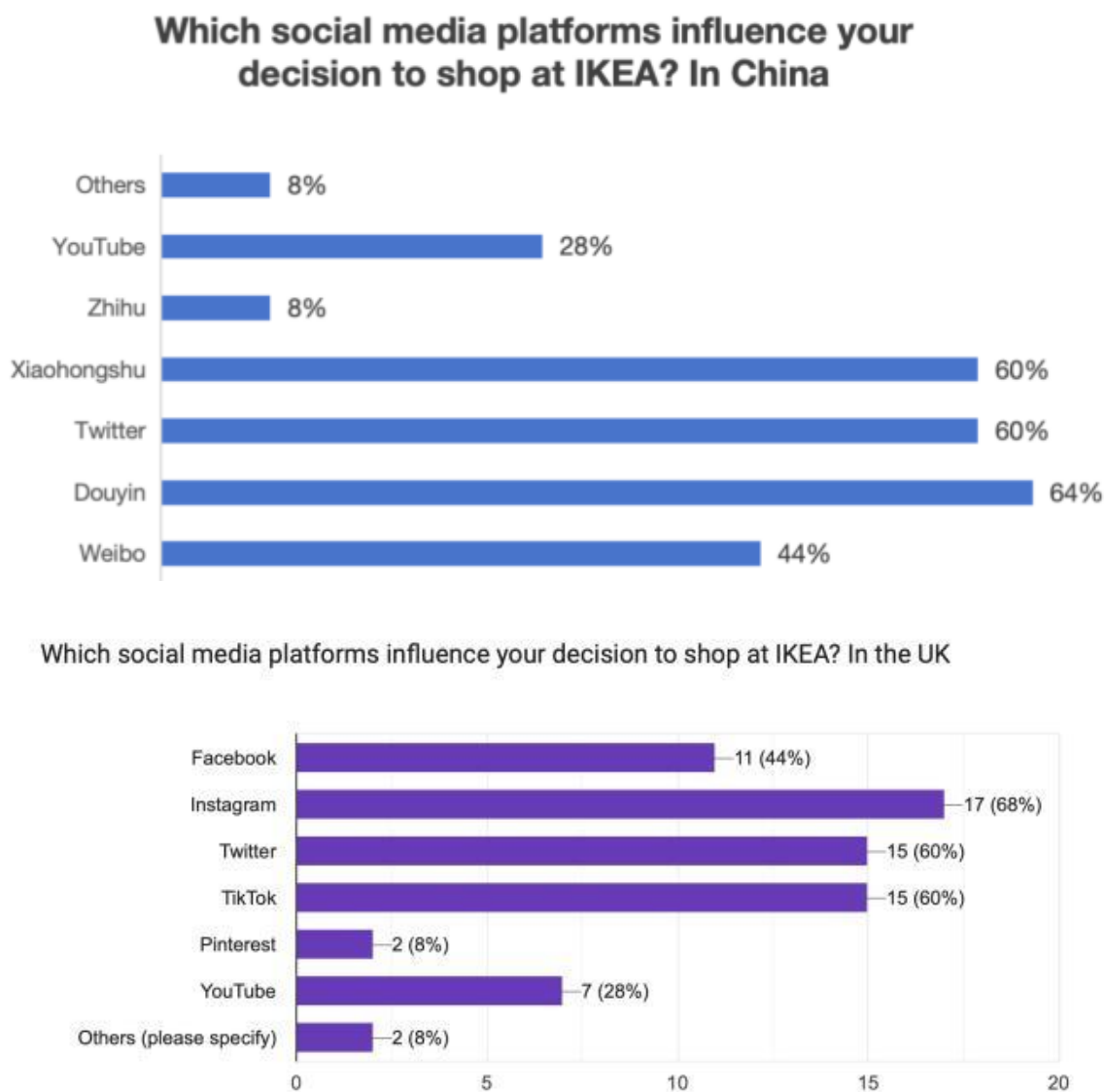
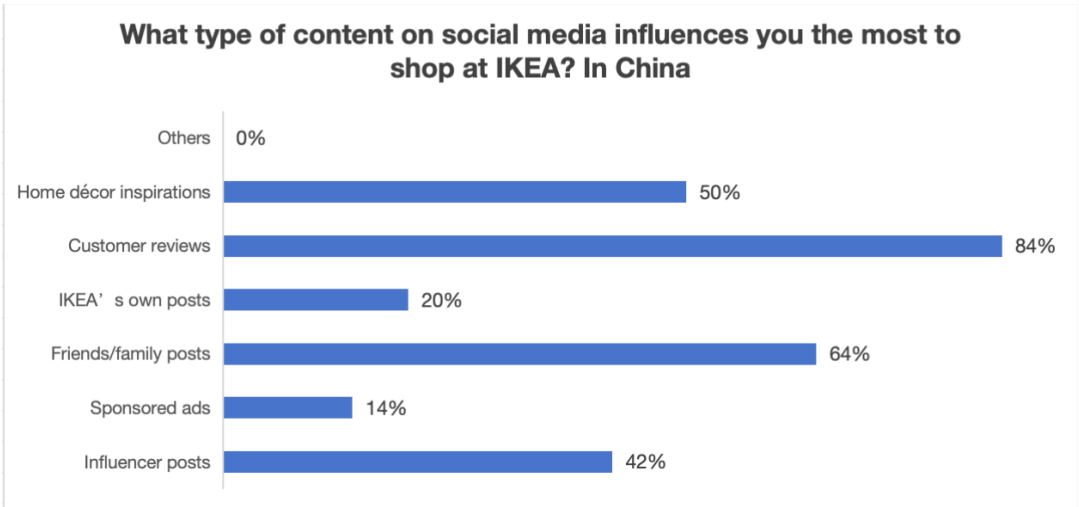


Figure 2

The data of Figure 2 illustrate distinct differences in social media platform preferences among IKEA consumers in China and the UK. In the UK, the majority of participants purchase products from IKEA driven by posts from Instagram (68%), Twitter (60%), and TikTok (60%), emphasizing the importance of visually-driven and interactive content. In contrast, Chinese consumers predominantly use Douyin (68%) and Xiaohongshu (56%), indicating a preference for short videos and lifestyle-focused content, which demonstrates the necessity of localized social media strategies for IKEA. In the UK, leveraging the visual appeal of Instagram and the interactivity of X and TikTok can enhance consumer engagement. In China, Douyin and Xiaohongshu are the top priorities to capture consumer interest by creating culturally relevant content can effectively. Furthermore, while multi-platform strategies show potential in both markets, the content must be tailored to the unique characteristics and user expectations of each platform. Overall, aligning social media strategies with platform-specific preferences and behaviors is crucial for IKEA to scale up its market presence and consumer engagement in both regions.



What type of content on social media influences you the most to shop at IKEA? In the UK

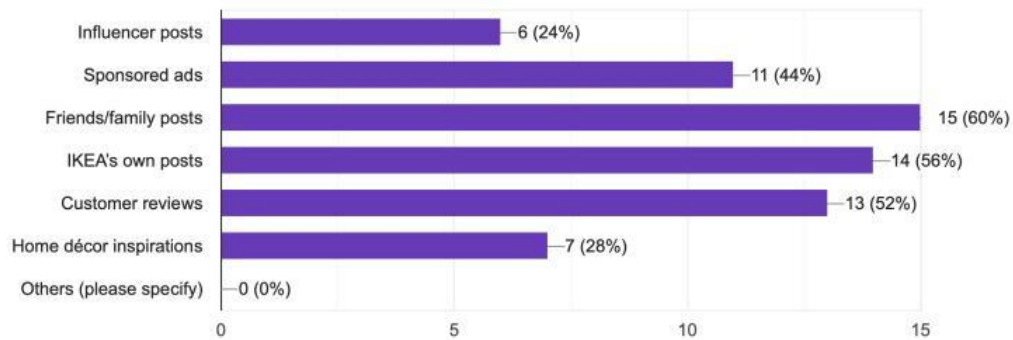


Figure 3

The two charts of Figure 3 illustrate the influence of social media content on consumer behavior between China and the UK. In China, customer reviews significantly impact purchasing decisions with the largest share of 84%. Posts from friends and family (64%), home decor inspiration (50%), and influencer posts (42%) also play important roles. Conversely, official IKEA content (20%) and sponsored advertisements (14%) are less impactful. In the UK, recommendations from friends and family (60%) and official IKEA content (56%) are the primary influences, followed by customer reviews (52%) and sponsored posts (44%). Influencer posts (24%) and home decor inspiration (28%) have a lower impact, indicating that Chinese consumers value peer feedback and influencer opinions, while UK consumers place greater trust in official brand content and sponsored content. Therefore, the strategy of IKEA should set store by amplifying customer reviews and influencer engagement in China, whereas in the UK, emphasis should be laid on diversifying official content and leveraging sponsored advertising to align with local consumer behavior and preferences.

The two groups of charts demonstrate the influence of social media content on consumer behavior in China and the UK. They suggest that IKEA needs to adapt its social media strategies to align with the distinct preferences of each market. In the UK, visual and interactive content on platforms like Instagram and TikTok proves to be highly effective. Conversely, in China, short videos and lifestyle content on Douyin and Xiaohongshu are more impactful. Therefore, IKEA should prioritize visual and interactive platforms in the UK while focusing on short-form video and localized content in China (Reynolds, 2023). Additionally, Chinese consumers place greater emphasis on peer reviews and influencer opinions, whereas UK consumers tend to trust official brand content and sponsored advertisements more. To enhance consumer engagement and market influence, IKEA should tailor its social media approach to the unique characteristics of each region (Stratta & Mehta, 2023).

4.3 STP Analysis

4.3.1 Segmentation

IKEA utilizes an advanced market segmentation approach to efficiently serve its diverse customer base. And the company has fostered groups of loyal customers across the world through accurately identifying and responding to their distinct needs and preferences to create various market segments (Lakshmi, 2024).

Founded in 1943, IKEA currently operates over 473 stores across more than 63 markets (IKEA, 2024). IKEA operates across numerous countries and regions, tailoring its product range and marketing strategies to align with local preferences and tastes. By

employing geographic segmentation, IKEA effectively accommodates cultural differences and diverse consumer behaviors (Hivelr, 2024). As a highly popular furniture brand, it boasts a vast customer base, with approximately 70% of its outlets located in Europe. As of April 25, 2024, the United Kingdom is home to 22 IKEA stores. England hosts the majority, with 17 locations, representing approximately 77% of all IKEA stores across the UK (ScrapeHero, 2024). Its hypermarkets and experience centers are situated not only in first-tier cities like Beijing, Shanghai, and Shenzhen but also in provincial capitals within less developed regions, such as those in Northeast and Central China (Almhult, 2024).

IKEA's store distribution in the UK and China illustrates its region-specific strategic approach tailored to distinct market characteristics. In the UK, the concentration of stores in England reflects a focus on areas with higher market demand. Conversely, IKEA's extensive presence across China demonstrates a strategic effort to address various market tiers, aiming to build brand influence and engage with diverse consumer segments in both developed and less-developed regions.

- **demographic segmentation**

IKEA employs demographic segmentation to reach different age demographics, income brackets, and family compositions.

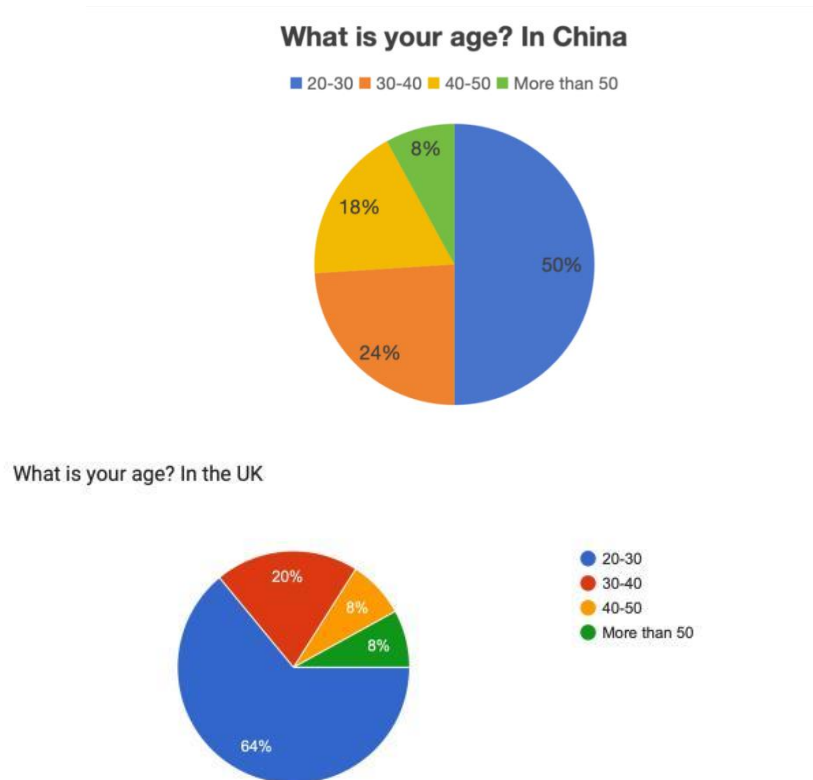


Figure 4

The two pie charts in Figure 4 illustrate the age groups among 100 participants who are IKEA consumers from the UK and China respectively, shedding light on IKEA's target demographics. A comparative analysis of the age distribution in these two regions reveals significant differences in consumer profiles. In the UK, 64% of consumers are aged 20 to 30, 20% within the range of 30 to 40, 8% between 40 and 50 years, and another 8% over 50 years old. In contrast, in China, 50% of consumers are aged 20 to 30, 24% in the range of 30 to 40, 18% within the 40 to 50-year category, and 8% over 50. The analysis indicates that in both the UK and China, IKEA's predominant consumer demographic is the 20 to 30 age group, comprising 64% of consumers in the UK and 50% in China, which suggests that IKEA successfully attracts a substantial segment of younger consumers across these markets, with the UK displaying a

particularly pronounced concentration in this age category, which is in line with the data results of Zhang (2019). In contrast, the age distribution of IKEA consumers in China is more evenly spread, with 24% falling within the 30 to 40 age group and 18% within the 40 to 50 range, which demonstrates IKEA's appeal not only to younger demographics but also to a significant proportion of middle-aged consumers in China, as proved by data of USCBC (2022). The UK, however, exhibits a sharper focus on younger consumers, with the 20 to 30 cohort significantly outweighing other age groups, indicating a more youth-oriented market. In both regions, the 50+ demographic accounts for 8% of the consumer base, reflecting similar levels of engagement with older consumers.

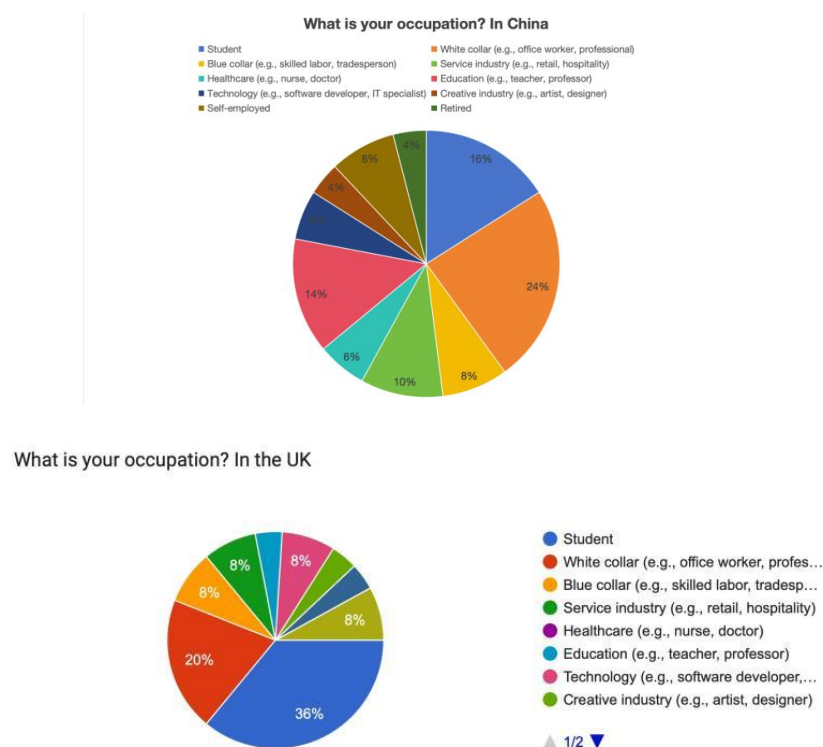


Figure 5

The survey analysis of 50 respondents from China and the UK in Figure 5 reveals distinct occupational profiles among IKEA customers, with students (27.3%) and

white-collar workers (22.7%) dominating in the UK, while in China, white-collar workers (24%) and the education sector (14%) have a stronger presence. These differences suggest that IKEA's appeal varies by region, with UK customers showing more diversity across industries and a strong student base likely driven by affordability and functionality. In contrast, China's customer base is more concentrated among professionals and educators, reflecting differing societal priorities and market dynamics. These insights can inform more tailored marketing and product strategies to better align with the specific preferences and needs of customers in each market.

- **psychographic segmentation**

In addition, IKEA also evaluate personal tastes and lifestyles of its consumers to separate segments based on psychographic features (Dudovskiy, 2022). In Europe and North America, where IKEA maintains a strong presence, customers generally favor minimalist and natural designs, emphasizing the functionality and practicality of the brand's offerings. In contrast, Asian customers tend to favor more luxurious and substantial furniture for home décor (Edwards, 2024).

The demand for furniture in China, particularly driven by ongoing urbanization, serves as a key factor propelling the Chinese furniture market (Xiong et al., 2017). A notable trend among Chinese consumers is the rise of "Guochao," which reflects a growing preference for domestic brands and products that highlight China's rich cultural heritage, which is also a critical consideration for IKEA's expansion in China (Wong, 2021).

Moreover, Chinese consumers are increasingly aware of the importance of environmental conservation because the sustainability concerns are only secondary to

these appearance and design of furniture (Wang, 2024). And the company has utilized metal and wood for its products, accounting for more than 90% of raw materials manufactured in China (Allison, 2023). Under the 14th Five-Year Plan, the government has introduced policies promoting “green manufacturing,” which emphasizes sustainable practices and the reduction of pollutant emissions (Tsang & Poon, 2021). This shift towards sustainability is expected to significantly shape the future of furniture production. Thanks to its strong sustainability practices and commitment to “being a force for positive change for people and the planet,” the organization has gained significant attention from environmentally conscious Chinese consumers (Bioenergy International, 2018).

IKEA’s global consumers generally emphasize simplicity and functionality in their home furnishings, often exhibiting environmental consciousness and seeking products that reflect their commitment to sustainable lifestyle choices (Mahalakshmi et al., 2024). They value IKEA’s dedication to providing affordable yet stylish designs without compromising quality.

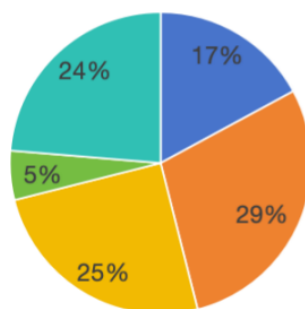
4.3.2 Targeting

IKEA is internationally acknowledged as a highly standardized corporation, with its marketing strategies being consistently recognized and implemented across various markets. Unlike many global companies that prioritize adapting to local differences, IKEA sets store by maintaining a uniform approach in its global operations (Burt et al., 2011).

Standardization of operations relies on a strategy aimed at aligning activities uniformly across the various regions where a company conducts its business (Ghosal, 2023). As a result, policies and procedures are established at the headquarters and then disseminated to the respective branches. Proponents of this approach argue that it can improve overall performance by reducing costs and optimizing efficiency (Fan et al., 2016).

In contrast to many other companies, IKEA places a strong emphasis on cultural considerations and what improvement it can make to respond to local consumers, aligning with their desires and norms (Jonsson & Foss, 2011).

Using IKEA as an example, both standardization and adaptation are advantageous for multinational corporations in achieving operational success and ensuring future growth in their respective markets (Choudhury, 2019). IKEA's marketing strategies, for instance, are flexibly adjusted to accommodate the distinct market conditions in China and the UK.



How did you first learn about IKEA? In the UK

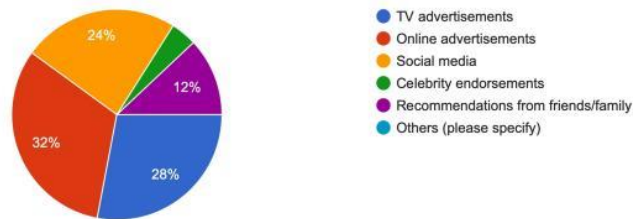
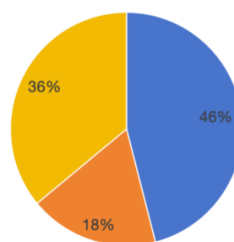


Figure 6

The data of Figure 6 demonstrate notable differences in how UK and Chinese consumers first know about IKEA. In both countries, online advertisements are the primary channel for consumers, with the proportion of 36.4% in the UK and 44% in China. Social media also plays a key role, influencing 22.7% of UK and 38% of Chinese consumers. The higher impact in China highlights the significant role that digital platforms have played in shaping consumer behavior. Word-of-mouth recommendations are notably more impactful in China (36%) than in the UK (13.6%), reflecting cultural differences in the reliance on personal networks.

Do you primarily shop at IKEA? In China

■ offline ■ online ■ both



Do you primarily shop at IKEA? In the UK

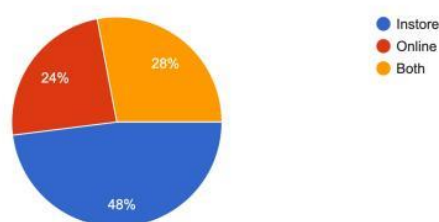


Figure 7

The two charts of Figure 7 indicate disparate shopping preferences among Chinese and UK consumers for IKEA products, with a significant preference for physical store shopping in both countries (46% in China and 48% in the UK), suggesting that despite the growth of e-commerce, the in-store experience remains a crucial element of IKEA's appeal. Hybrid shopping, involving both online and offline channels, is more common in China (36%) than in the UK (28%), which indicates a more integrated shopping approach in the Chinese market, where consumers value the flexibility and convenience of an omnichannel experience. These insights underscore the need for IKEA to maintain robust brick-and-mortar stores operations and develop targeted omnichannel strategies with the focus on enhancing the integration of online and offline shopping experiences in China, while expanding online offerings and optimizing the digital shopping experience in the UK (Tan, 2023).

Specifically, IKEA adopts a geographically segmented marketing strategy to address the distinct market environments in China and the UK. In China, IKEA focuses on urbanization trends and the rise of the middle class by tailoring products for first- and second-tier cities, emphasizing affordability and multifunctionality (Wu, 2020). In the UK, IKEA targets both metropolitan areas and suburban regions, emphasizing sustainability, design innovation, and comfort, with a focus on traditional in-store shopping experiences complemented by growing online sales.

In China, IKEA has stepped up its cooperation with top e-commerce platforms like JD.com and Tmall to increase its exposure (IKEA, 2021). This allows IKEA to connect with a wider audience, particularly young, urban consumers who value modern,

multifunctional products. The brand's adaptation to the local market needs through affordable, space-saving solutions helps it to gain traction in an increasingly competitive environment.

In the UK, IKEA leverages its brand heritage and commitment to sustainability to appeal to environmentally conscious consumers. The company offers a range of products that blend traditional and modern design, catering to different regional demands (IKEA, 2024). IKEA's focus on sustainable materials and environmental initiatives resonates well with the UK market, where there is a strong preference for high-quality, eco-friendly products.

In addition, IKEA's target market in China shows a keen interest in home improvement, DIY projects, and interior design, with customers enjoying the process of personalizing their spaces (Prasannakumar, 2023). However, one significant challenge IKEA faced was the cultural preference in China for professional furniture assembly, unlike in Sweden, where self-assembly is regarded as a mark of resourcefulness. In China, furniture assembly is perceived as a time-consuming task better suited for professionals, which conflicts with IKEA's self-assembly business model (Bresinger, 2018).

4.3.3 Positioning

IKEA's pricing strategy is crucial to its market positioning, emphasizing affordability without compromising on quality. By utilizing cost-effective production techniques, streamlined supply chain management, and flat-pack packaging, IKEA offers a wide range of stylish and functional furniture at competitive prices (Tyler, 2018).

This approach appeals to value-conscious consumers, enabling them to furnish their homes affordably. IKEA’s commitment to delivering high-quality products at lower prices distinguishes it from competitors, attracting a broad customer base, fostering brand loyalty, and reinforcing its reputation as a cost-effective choice in the furniture market (Rohan, 2024).

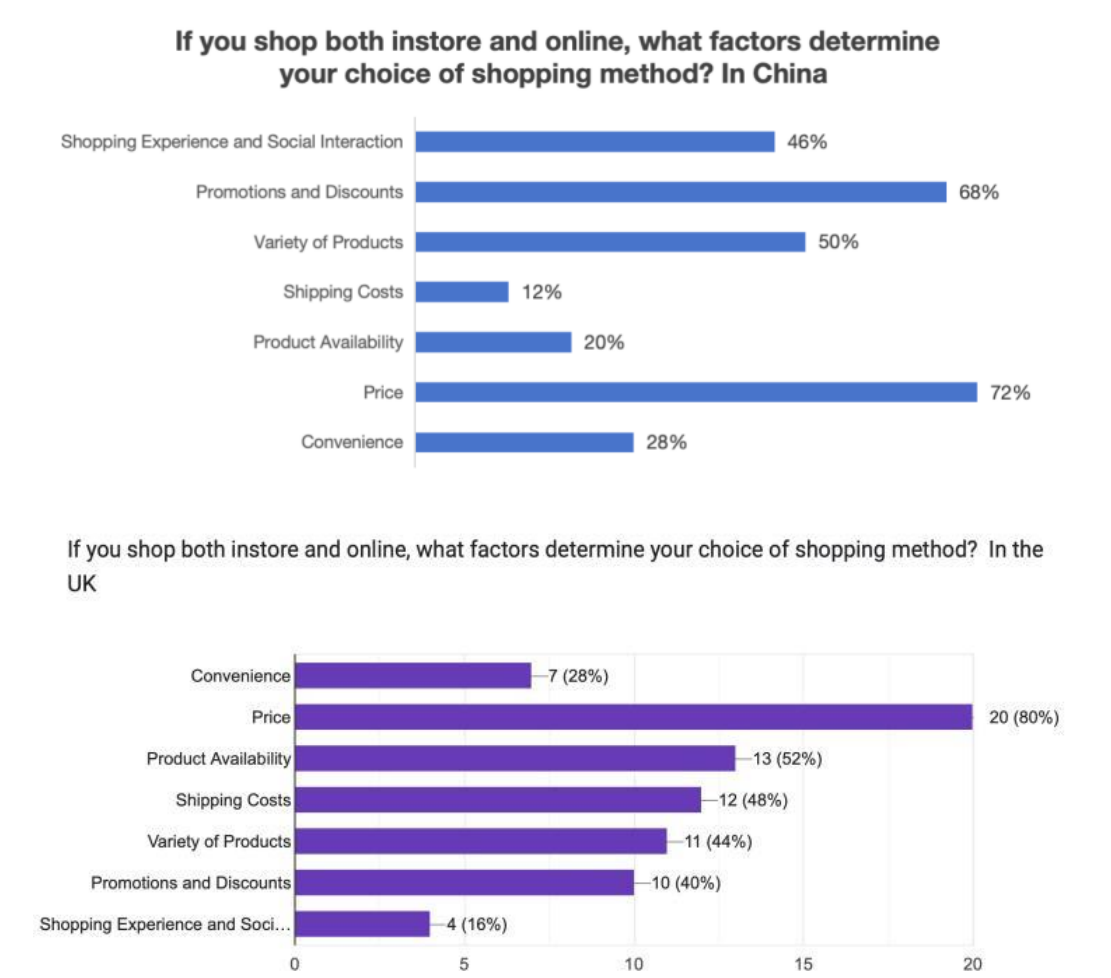


Figure 8

The data of Figure 8 shows distinct priorities among Chinese and UK consumers when choosing between online and offline shopping. Price emerges as the most vital factor for both consumers, with 72% of Chinese consumers 80% of UK customers. Chinese consumers have a higher sensitivity to promotions and discounts (68%) compared to

their UK counterparts (40%), suggesting that promotional strategies may be particularly effective in China. And the shopping experience is significantly more valued in China (46%) than in the UK (16%), indicating cultural differences in the importance of customer interaction and store environment.

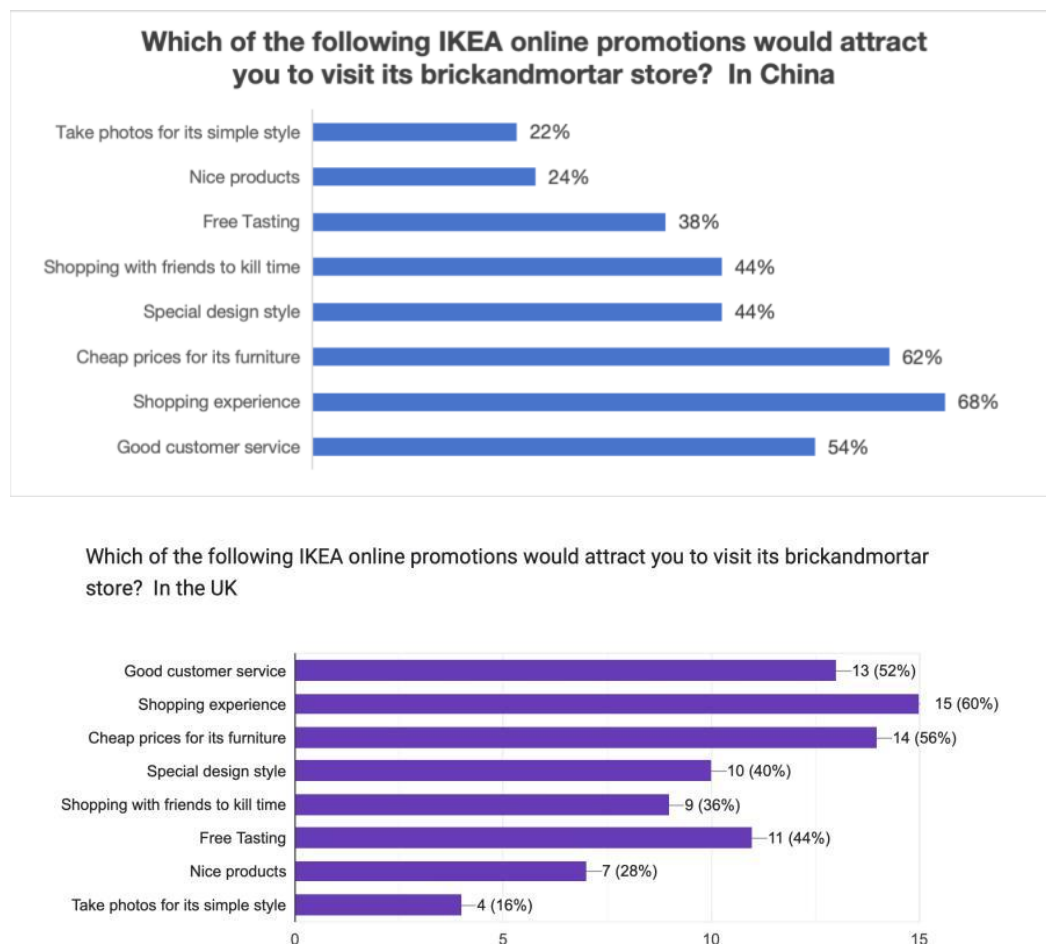


Figure 9

This question of Figure 9 shows various factors driving Chinese and UK consumers to visit IKEA's physical stores. A positive shopping experience is a key motivator for customers both in China and UK with the share of 68% and 60% respectively. Pricing strategies also play a significant role, as 62% of Chinese and 56% of UK participants believe furniture prices are lower during in-store promotional events compared to

online shopping. The unique store design and layout attract 44% of Chinese and 40% of UK customers, stressing the importance of aesthetic appeal. Social interaction is another factor, with 44% of Chinese and 36% of UK participants considering IKEA visits as a social activity. Additionally, the offering of free food samples draws 38% of Chinese and 44% of UK participants, indicating that such in-store features enhance the overall shopping experience and differentiate IKEA’s performance from its online offerings.

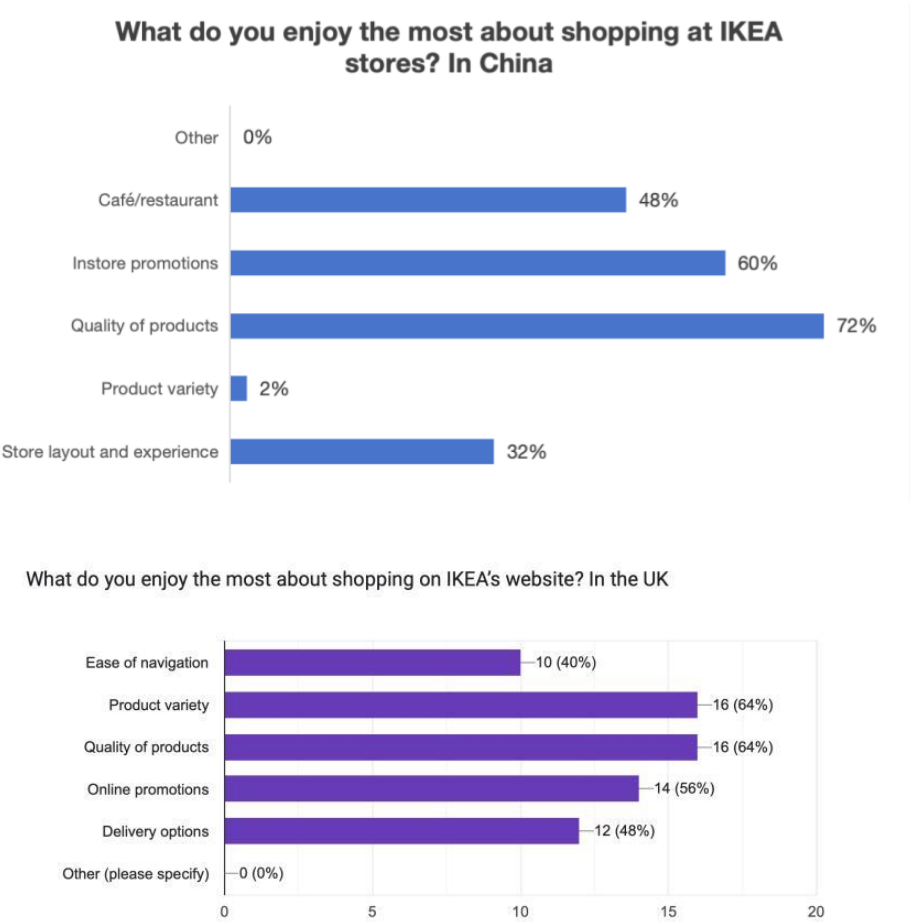


Figure 10

The data shown in Figure 10 lay out consumers’ preferences between Chinese and UK markets when choosing between online shopping. In China, a significant 76% of

consumers prioritize online promotional activities, indicating that discounts and special offers are key drivers of online shopping behavior. In contrast, 56% of UK consumers also value online promotions, though to a lesser extent. Product variety is another vital indicator favored by 54% of Chinese consumers who seek exclusive items not available in stores, whereas 64% of UK consumers place equal emphasis on both product quality and variety, reflecting a balanced approach to evaluating shopping options. Delivery options are a concern for both markets, worried by 50% of Chinese and 48% of UK participants who consider shipping methods and costs are potential hidden troubles. The prominent figure of online promotions in China suggests that promotional strategies should be more aggressive there, while UK strategies should lay an emphasis on high product quality and variety. Effective delivery solutions are important in both markets, but robust promotional and product strategies are also necessary to better meet consumer preferences (Laborhutt, 2024).

The data analysis reveals that price is the most critical factor for consumers in both China and the UK. In China, MUJI and IKEA both emphasize the use of natural materials in their products, though their approaches differ. MUJI focuses on natural materials and minimal processing, emphasizing sustainability and simplicity (Hang et al., 2023). In contrast, IKEA uses 71% recyclable materials, combining them with wood to create cost-effective, sustainable designs. The 3-shelf version of IKEA's Kallax series is priced at \$99, significantly more affordable than MUJI's comparable stacking shelf, which costs \$219 (Ang, 2023). While both shelves can be positioned horizontally or vertically, the Kallax offers greater height and depth, providing more storage capacity.

Consequently, IKEA's Kallax not only offers better value but also superior adaptability compared to MUJI's offering (Myers, 2024).

IKEA prioritizes affordability, designing products by first setting a price point and then selecting materials that align with sustainability and cost considerations. While IKEA focuses on delivering functional, well-designed furniture at low prices, MUJI's pricing reflects its brand and design value, often resulting in higher costs for similar materials, like oak, compared to IKEA's offerings (Martin, 2023).

The data further highlights that positive shopping experiences are key motivators for customers in both China and the UK. The distinctive store design and layout attract a significant proportion of consumers in both markets, underscoring the importance of aesthetic appeal. Social interaction also plays a crucial role, with 44% of Chinese and 36% of UK consumers viewing IKEA visits as social activities. Thus, for consumers in the home furnishings sector, these factors—aside from price—are major considerations influencing their choice of retailer.

In the UK, John Lewis offers two notable advantages over IKEA. First, John Lewis provides a wide range of high-quality products, often focusing on premium and luxury items (Spanou, 2023). Their furniture and home goods are renowned for durability and craftsmanship, appealing to consumers seeking long-term investments. Second, John Lewis stores offer a more upscale shopping environment compared to IKEA. The layout and design of their stores typically create a more refined and comfortable shopping experience, attracting customers who prefer a traditional retail atmosphere (Rudd, 2023).

Additionally, delivery options are a critical concern in both markets, with 50% of Chinese and 48% of UK consumers expressing concerns about shipping methods and costs. The prominent role of online promotions in China suggests that promotional strategies should be more aggressive there, while the UK strategy should focus on product quality and variety.

5. Conclusion and Recommendation

This chapter aims to conclude IKEA's marketing strategies by integrating insights from the STP model analysis, providing a more coherent framework for understanding the overall research.

5.1 Conclusion

5.1.1 Marketing Performance

IKEA has demonstrated strong momentum in the global market with a total of 822 million visitors in 2022 compared to 775 million in 2021. And it also has recovered from the COVID-19 pandemic with sales growing nearly back to the pre-pandemic in Europe. However, the company's development is not as optimistic as it seems. Its online sales dropped by 10% compared to 2021, and its online channels witnessed a 0.7 billion decrease from 5 billion to 4.3 billion (Prajwal, 2023).

Based on the PESTEL analysis, IKEA's global success is influenced by political instability and economic disruptions, such as those in Russia and Venezuela, which have led to decreased consumer purchasing power and increased inflation, affecting IKEA's sales and profitability in these regions (Brodowicz, 2024). Moreover, global political shifts, such as rising protectionism and trade conflicts, have implications for IKEA's supply chain and pricing strategies. The ongoing U.S.-China trade war and Brexit-related uncertainties exemplify how geopolitical events can disrupt international trade and impact the cost and availability of IKEA products. In conclusion, the global

political environment plays a crucial role in shaping IKEA's operations and financial outcomes, necessitating adaptive strategies to navigate risks and leverage new opportunities.

Economically, the COVID-19 pandemic led to a drop in sales as consumers shifted to essential spending as widespread job losses caused consumers to prioritize essential purchases over luxury items (Fan, 2022). In China, a shrinking labor force and a real estate sector downturn have also negatively impacted economic conditions, weakening consumer confidence and reducing market demand for IKEA products (Reid, 2023). In addition, there are distinct consumer behaviors in the UK and China. UK consumers are influenced by online ads and social media, focusing on quality and variety, while Chinese consumers are more responsive to promotions and personal recommendations. Both markets still value hybrid shopping experiences (Khan & Sarkar, 2024).

In terms of social-cultural factors, the data mentioned above in Chapter Four highlight distinct consumer behaviors in the UK and China, underscoring the importance of region-specific marketing strategies for IKEA. In China, digital platforms such as social media and online advertisements, alongside word-of-mouth recommendations, play a more significant role in influencing consumer decisions. Promotions and discounts are particularly effective in this market, reflecting a higher price sensitivity among Chinese consumers (CHOZAN, 2024). In contrast, UK consumers are primarily driven by online advertisements and social media, with a stronger emphasis on product quality and variety. Both markets still value the in-store shopping experience, though Chinese consumers show a greater preference for hybrid shopping, blending online and offline

channels (Johnny, 2024). Additionally, social media usage patterns differ, with Chinese consumers favoring platforms like Douyin and Xiaohongshu, while UK consumers are more influenced by Instagram, Twitter, and TikTok. Therefore, IKEA must develop localized strategies that cater to the unique preferences of each market, focusing on digital engagement in China and optimizing online offerings in the UK, while also maintaining strong brick-and-mortar operations in both regions.

In light of technological Factors, IKEA's partnership with Xiaomi highlights its move towards smart home technologies, integrating IoT and AI into its product offerings, particularly in China (Yang, 2018). In 2018, Xiaomi partnered with IKEA to make a significant impact on the Internet of Things (IoT) industry. Xiaomi indicated that their future strategy would focus heavily on IoT and artificial intelligence (AI) over the next decade. Concurrently, IKEA emphasized their commitment to providing everything a home might need, both now and in the future, including smart devices (Burns, 2018).

Furthermore, IKEA's sustainability initiatives, such as its "People & Planet Positive" program, focus on environmental responsibility through the use of sustainable materials, renewable energy, and reducing food waste (Mathiesen, 2022). In addition, the company prioritizes eco-friendly materials and aims to further enhance its environmental impact. Through the Healthy and Sustainable Living program, IKEA emphasizes enhancing individual health and well-being via product innovations such as air purifiers, LED lighting, and plant-based food alternatives (Baronti, 2023).

Legally, regulatory changes, such as the GDPR and carbon tax policies, affect IKEA's operations, especially regarding data privacy, supply chain management, and pricing

strategies (Han, 2023). Because of the introduction of the two above policies, IKEA has to reconsider its digital marketing approaches to be compliant with the regulations.

5.1.2 Effects of IKEA's Marketing Strategies

The STP analysis reveals that IKEA primarily focuses on young consumers aged 20 to 30, while relatively overlooking individuals from other age groups. IKEA adapts its product and marketing strategies to regional characteristics. In the UK, the emphasis is laid on high-demand areas like England, whereas in China, IKEA targets both major cities and less-developed provincial capitals. This approach highlights IKEA's strategy of building brand influence across diverse market tiers. In addition, IKEA balances standardization with localization. In China, it adapts by partnering with local assembly services, while in the UK, it emphasizes sustainability and design innovation. This dual approach ensures relevance and effectiveness across different markets.

Additionally, IKEA's strategy focuses on providing affordability while maintaining quality. By employing cost-effective production methods and flat-pack packaging, the company can offer competitive pricing that attracts value-conscious consumers. This pricing strategy, coupled with a focus on promotions in China and product quality in the UK, reinforces IKEA's market position.

5.2 Recommendation

According to the analysis, several strategies are recommended to enhance IKEA's marketing approach in the UK market.

- Firstly, IKEA should allocate additional resources to platforms such as Instagram, Twitter, and TikTok, which exert significant influence over UK consumers. While social media is impactful, the focus should be on creating more interactive and personalized online experiences. This may involve utilizing data analytics to provide customized recommendations and targeted promotions.
- Secondly, improving e-commerce capabilities and the overall online shopping experience should be a priority. Incorporating features like virtual store tours or augmented reality could help bridge the gap between online and physical shopping.
- Thirdly, IKEA should explore the introduction of premium product lines or exclusive items designed to appeal to higher-end market segments.
- Fourthly, offering more flexible delivery options, tracking capabilities, and affordable shipping rates will address key consumer concerns.
- Finally, the in-store experience can be enhanced by integrating local design preferences and cultural elements, while ensuring the store layouts and designs align with IKEA's brand identity.

By adopting these strategies, IKEA can better meet regional consumer expectations, enhance customer satisfaction, and strengthen its competitive position in the UK market. In addition, IKEA faced several challenges when entering the Chinese market, largely due to the company's standardized Western marketing strategies being unsuitable for

the local home furnishings market. Initially, IKEA attempted to establish its presence in China using its global standardized production and marketing models to attract general consumers. However, the company did not adequately assess China's market and consumer purchasing habits in the early stages. After analyzing and understanding the realities of the Chinese market in the above content, IKEA is suggested to stick to the following advices:

- First, brand building should be considered as the foundation for further development and expansion in China. Therefore, IKEA must strengthen its brand development across multiple dimensions to compete with local home furnishing companies and capture a big share of the Chinese market. The company should also identify the growing and changing demand among Chinese consumers and step into these markets with mid-range products at the right time. Additionally, IKEA is also recommended to improve its brand recognition and consumer engagement through various approaches, focusing on designs inspired by the “Guochao” trend to appeal to younger audiences. In terms of product promotion, IKEA should also expand its promoting channels rather than sticking to traditional advertising, such as participating in public welfare initiatives and utilizing chain marketing strategies.
- Second, service improvement should also be one of its priorities since it is paramount for IKEA to understand and meet the evolving needs of Chinese consumers. For instance, it can release two types of new services — paid assembly services and improved delivery services. The former service can help IKEA to

further enhance customer experience since most of its products are modular, which requires customers to assemble them after purchase by themselves. And the latter service enables the company to roll out personalized deliver services to compete with those domestic furniture brands who provide free home delivery. By doing so, it can not only release the pressure of local consumers, but also meet their expectations of a well-known brand.

In addition, there is also one tip for the research. During the process of collecting online survey data, it was observed that the platform, influenced by big data algorithms, tends to distribute the questionnaire predominantly to younger participants. Consequently, the responses lack representation from a broader age range. To address this issue and gather data from a wider demographic, particularly older adults and rural residents, alternative methods such as telephone surveys, in-person interviews, or mailed questionnaires should be considered. Additionally, collaborating with community centers, local organizations, or media channels targeting older populations can help ensure their inclusion in the study. These mixed-method approaches can mitigate biases associated with relying solely on online platforms and improve the accuracy and representativeness of the research data.

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Appendixes

Appendix A: Questionnaire in the UK

IKEA Marketing Strategy Questionnaire

1. What is your age? In the UK *

Mark only one oval.

- ☐ 20-30
☐ 30-40
☐ 40-50
☐ More than 50

2. What is your occupation? In the UK *

Mark only one oval.

- ☐ Student
☐ White collar (e.g., office worker, professional)
☐ Blue collar (e.g., skilled labor, tradesperson)
☐ Service industry (e.g., retail, hospitality)
☐ Healthcare (e.g., nurse, doctor)
☐ Education (e.g., teacher, professor)
☐ Technology (e.g., software developer, IT specialist)
☐ Creative industry (e.g., artist, designer)
☐ Other (please specify)
☐ Employed part-time
☐ Self-employed
☐ Unemployed
☐ Retired
☐ Others (please specify)

3. How did you first learn about IKEA? In the UK *

Mark only one oval.

- ☐ TV advertisements
- ☐ Online advertisements
- ☐ Social media
- ☐ Celebrity endorsements
- ☐ Recommendations from friends/family
- ☐ Others (please specify)

4. What drives you to visit an IKEA store or shop on IKEA's website? In the UK *

Check all that apply.

- ☐ TV advertisements
- ☐ Online advertisements
- ☐ Social media posts
- ☐ Email newsletters
- ☐ Recommendations from friends/family
- ☐ Instore/Online promotions
- ☐ Others (please specify)

5. Do you primarily shop at IKEA? In the UK *

Mark only one oval.

- ☐ Instore
- ☐ Online
- ☐ Both

6. If you shop both instore and online, what factors determine your choice of shopping method? In the UK

Check all that apply.

- ☐ Convenience
- ☐ Price
- ☐ Product Availability
- ☐ Shipping Costs
- ☐ Variety of Products
- ☐ Promotions and Discounts
- ☐ Shopping Experience and Social Interaction

7. Which social media platforms influence your decision to shop at IKEA? In the UK *

Check all that apply.

- ☐ Facebook
- ☐ Instagram
- ☐ Twitter
- ☐ TikTok
- ☐ Pinterest
- ☐ YouTube
- ☐ Others (please specify)

8. What type of content on social media influences you the most to shop at IKEA? In the UK *

Check all that apply.

- ☐ Influencer posts
- ☐ Sponsored ads
- ☐ Friends/family posts
- ☐ IKEA's own posts
- ☐ Customer reviews
- ☐ Home décor inspirations
- ☐ Others (please specify)

9. Which of the following IKEA online promotions would attract you to visit its brickandmortar store? In the UK

Check all that apply.

- ☐ Good customer service
- ☐ Shopping experience
- ☐ Cheap prices for its furniture
- ☐ Special design style
- ☐ Shopping with friends to kill time
- ☐ Free Tasting
- ☐ Nice products
- ☐ Take photos for its simple style

10. What do you enjoy the most about shopping at IKEA stores? In the UK *

Check all that apply.

- ☐ Store layout and experience
- ☐ Product variety
- ☐ Quality of products
- ☐ Instore promotions
- ☐ Café/restaurant
- ☐ Other (please specify)

11. What do you enjoy the most about shopping on IKEA's website? In the UK *

Check all that apply.

- ☐ Ease of navigation
- ☐ Product variety
- ☐ Quality of products
- ☐ Online promotions
- ☐ Delivery options
- ☐ Other (please specify)

Appendix B: Questionnaire in China

IKEA Marketing Strategy Questionnaire

1. What is your age? In China *

Mark only one oval.

- ☐ 20-30
☐ 30-40
☐ 40-50
☐ More than 50

2. What is your occupation? In China *

Mark only one oval.

- ☐ Student
☐ White collar (e.g., office worker, professional)
☐ Blue collar (e.g., skilled labor, tradesperson)
☐ Service industry (e.g., retail, hospitality)
☐ Healthcare (e.g., nurse, doctor)
☐ Education (e.g., teacher, professor)
☐ Technology (e.g., software developer, IT specialist)
☐ Creative industry (e.g., artist, designer)
☐ Other (please specify)
☐ Employed part-time
☐ Self-employed
☐ Unemployed
☐ Retired
☐ Others (please specify)

3. How did you first learn about IKEA? In China *

Mark only one oval.

- ☐ TV advertisements
- ☐ Online advertisements
- ☐ Social media
- ☐ Celebrity endorsements
- ☐ Recommendations from friends/family
- ☐ Others (please specify)

4. What drives you to visit an IKEA store or shop on IKEA's website? In China *

Check all that apply.

- ☐ TV advertisements
- ☐ Online advertisements
- ☐ Social media posts
- ☐ Email newsletters
- ☐ Recommendations from friends/family
- ☐ Instore/Online promotions
- ☐ Others (please specify)

5. Do you primarily shop at IKEA? In China *

Mark only one oval.

- ☐ Instore
- ☐ Online
- ☐ Both

6. If you shop both instore and online, what factors determine your choice of shopping method? In China

Check all that apply.

- ☐ Convenience
- ☐ Price
- ☐ Product Availability
- ☐ Shipping Costs
- ☐ Variety of Products
- ☐ Promotions and Discounts
- ☐ Shopping Experience and Social Interaction

7. Which social media platforms influence your decision to shop at IKEA? In China *

Check all that apply.

- ☐ Facebook
- ☐ Instagram
- ☐ Twitter
- ☐ TikTok
- ☐ Pinterest
- ☐ YouTube
- ☐ Others (please specify)

8. What type of content on social media influences you the most to shop at IKEA? In China *

Check all that apply.

- ☐ Influencer posts
- ☐ Sponsored ads
- ☐ Friends/family posts
- ☐ IKEA's own posts
- ☐ Customer reviews
- ☐ Home décor inspirations
- ☐ Others (please specify)

9. Which of the following IKEA online promotions would attract you to visit its brickandmortar store? In China

Check all that apply.

- ☐ Good customer service
- ☐ Shopping experience
- ☐ Cheap prices for its furniture
- ☐ Special design style
- ☐ Shopping with friends to kill time
- ☐ Free Tasting
- ☐ Nice products
- ☐ Take photos for its simple style

10. What do you enjoy the most about shopping at IKEA stores? In China *

Check all that apply.

- ☐ Store layout and experience
- ☐ Product variety
- ☐ Quality of products
- ☐ Instore promotions
- ☐ Café/restaurant
- ☐ Other (please specify)

11. What do you enjoy the most about shopping on IKEA's website? In China *

Check all that apply.

- ☐ Ease of navigation
- ☐ Product variety
- ☐ Quality of products
- ☐ Online promotions
- ☐ Delivery options
- ☐ Other (please specify)