

University of Wales Trinity Saint David

BMSW 4003

Assessment 1 – Digital Skills and Research Methods

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**University of Wales
Trinity Saint David**

**DIGITAL SKILLS
AND REASERCH
METHODS**

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Contents

1. Background of the Organization	2. The challenge(s) before the introduction of modern technology
3. Insights to the modern technology introduced	4. The impact of the technology introduced
5. Lessons that can be drawn from the case study	



1951 1954 1967 1981 1983

BACKGROUND of ORGANIZATION

1896 a German Couple

(Achim Erdman & Franziska) moved in **Sweden**.
They bought this propriety for 54.000 Swedish Krona
in Småland in south of Sweden.



They moved there without knowing a word
and a few years later Erdman commit suicide.

Franziska remarried and got 3 sons.
One of these Franz Feodor marries Berta Nilsson and together
they get the son **Ingvar Kamprad**.

Ingvar Kamprad

At the age of 5 started
buying and selling things like matches and over time he
began to understand how the business world works.



In **1943** at the age of 17 he took the father's money as a reward
for working hard and getting good grades at school and he bought a property from his uncle
and started his own company.



Ingvar
Kamprad
Elmtaryd
Agunnaryd

1943 Almhult. Common items
pens, wallets, pictures



1948 cheap-high quality furniture, local company
produced the items and then delivered to Ingvar
who has everything on a catalog, packaged them and
delivered trough the milk bus.

1953 when opened a showroom in Almulth and it
was very successful,
he came in contact with a designer that started
developing new furniture models for Ikea

1958 he opened his first huge 6.700 square meters personal Store in Almulth.

Ingvar struggled between 50's and 60's
He had some issues with the designer.

Swedish furniture trade association banned him from all furniture fairs,
he cannot even attend those events like every member that worked for Ikea.

In 60's the Polish minister of trade visited Sweden with the purpose
to find Swedish investors.

Ikea furniture started to be produced there for 30 years.

1991 Ikea started to produce furniture by themselves.



January **2018**

57.8 billion dollars

Top 10 richest people in the
world.

Strange reputation for riding the bus, shopping at flea markets, taking home salt
and pepper from restaurants and drive an old Volvo car for many years.

People loved the idea to assemble furniture.

Names of furniture connected with his dyslexia

He had problems with remembering inventory numbers of the items, he invented
a system of naming the products by Scandinavian men's name for bookcase or
beds from flowers and plans name, cities, locations etc...



**The challenge(s)
before the
introduction of
modern
technology**

In **1990** IKEA develops an environmental policy to ensure that
company and its co-workers take environmental responsibility for all
activities conducted within its business. Same year IKEA arrives in
Hungary, the first store opens in Budapest.

SWEDWOOD- the industrial group of IKEA In **1991** IKEA acquires its
own sawmills and production plants and establishes the industrial
group SWEDWOOD to produce wood-based furniture and wooden
components. In the same year IKEA arrives in 2 more countries: Czech
Republic (Prague) and Poland (Pozan).

In **1994** IKEA dares to be DIFFERENT. A whole furniture series for children is introduced that not only meets the demands of wild childish imaginations, but also stands up to the wildest of children's games. All the products are made of tough, resilient materials and have rounded corners for safety. IKEA on the web.

In **1996** IKEA open first store in Spain and 1 year later in 1997 IKEA lunches the official website: www.IKEA.com A new PRESIDENT and CEO in 1999 Andrew Dahlving becomes President and CEO of the IKEA ,taking over from Anders Moberg. Same year IKEA grows to 50,000 co-workers and has 158 stores in 29 countries after the opening of the store in Shanghai, China in 1998

IKEA is so much more than furniture at low prices .

IKEA developed ,embrace and adept the new ways and new technologies since **1943** up to now .

Few of the ways IKEA used to operate : - travelling door to door ,carrying binders to take down customer orders-flat pack idea- catalogue Digital technologies are expected to allow IKEA to reach more customers in a more cost-effective way than building new stores and paying high real state prices. In addition to digital offerings to enhance the customer experience, IKEA is developing products, services and strategies to compete in the future.



Insights to the modern technology Introduced

Looking at some changes IKEA is implementing in its day to day operations, we can point out that they are clearly not satisfied with the status quo.

Therefore, they are taking some steps and decisions to make their business more successful and attractive to customers in the digital era with the services and products that are designed to match the modern lifestyles and needs of the consumers in the future.



IKEAS DIGITAL OFFERINGS

First of all I think we all experienced the frustration of the IKEA DIY assembly. When IKEA brought out TaskRabbit, a platform that allows customers to access and connect with other individuals who will assemble their furniture, which helped avoid the frustrating situation of doing it yourself. In addition, another thing the customers had to expect from IKEA was having to walk through the warehouse and looking through for the product you wish to buy.

However, what IKEA has also implemented now is the IKEA place app, which helps you "try" the different furniture, and products you may be willing to purchase. This app has proved to be effective as it has had over 2 million downloads.

Smart products and self driving cars.

In addition to the previous digital improvements and changes Ikea has made, to make their customers more intrigued and satisfied with their business, they have started to develop products and services to compete with other big brands in the future. They have started to offer products to fit in a "smart home". Some examples of what they sell are, smart lighting such as smart light bulbs, WiFi speakers, wireless charging & accessories , smart blinds and many other various products.

IKEA wants to really go for a massive change by bringing a lot of futuristic ideas and plans to make their businesses more effective and up to date with technology an digital services. They also want to bring in a service where customers are able to request robotic self driving mobile showroom to come to their home location with furniture and products you are interested in, which takes online shopping to an entire new level.

Overall, the steps that IKEA has taken to transform their company into a technology business shows their commitment and dedication that they have in order to stay relevant and competitive in the future.

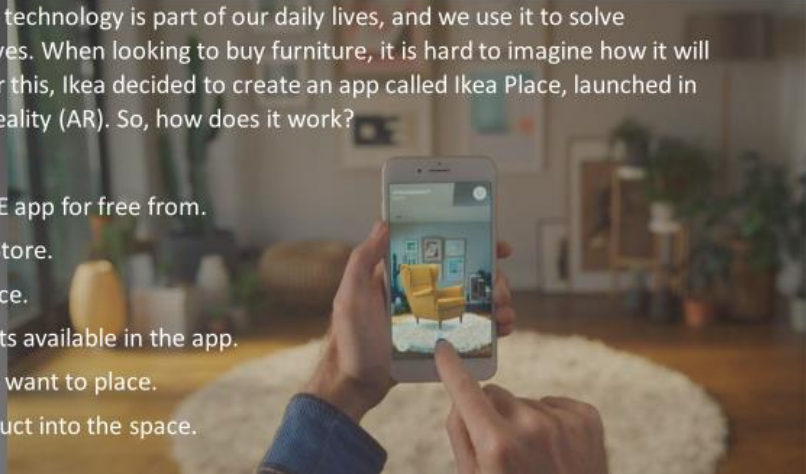
We can see that they are investing in a future that will require new products, services and interactions to remain relevant and attract more attention as well as stay competitive.

IMPACT OF TECHNOLOGY

Let us talk about some of the technologies that IKEA implemented and what is the impact produced within the customers.

We are living in an era where technology is part of our daily lives, and we use it to solve problems and facilitate our lives. When looking to buy furniture, it is hard to imagine how it will look and fit in your home. For this, Ikea decided to create an app called Ikea Place, launched in 2007, based in Augmented Reality (AR). So, how does it work?

1. Download the IKEA PLACE app for free from.
2. Apple App Store or Play Store.
3. Scan the floor in your place.
4. Browse the list of products available in the app.
5. Select a product that you want to place.
6. Move and place the product into the space.



You just need to download the app, open it, scan the floor you want the furniture to be and, browse for an item, select the one you like and on your screen, will appear a 3D model of the furniture selected. It is a great way to see how the furniture suits in your home and you can try over 90 different items. Apart of that, you won't need to waste any more time measuring every inch of the corner before going to the shop and you will avoid buying something that doesn't fit.



Better Living

We can also see innovation within IKEA'S warehouses. Imagine thousands of products needed to be checked, counted, and make sure they are in the correct place, this will take a lot amount of time for a person to go to each sector and write down everything on a paper.

So, what they've done is teamed up with Verity, known for their drone light shows and global leader in autonomous drone systems and together create a solution for warehouse inventory checks.



How does it work? "From a charging station, drones go from pallet to pallet collecting images, videos, and 3D depth scan data. For example, one location was supposed to have a pallet, but the pallet was missing. Another location had a pallet, but it was the wrong one," says Raffaello D'Andrea(2017). Verity's founder and one of the founders of Amazon Robotics.

With this innovation, checking the stock it is much easier, much faster and help the company to show the customers what is in stock at a certain Ikea store.

The purpose of implementing technology.

Save time

Create a more sustainable future

Save money



Ikea is passionate about offering a wide range of home furnishing items of a good design and function, excellent quality and durability, at prices so low that the majority of people can afford to buy them. But company do not just take care of their customers, but also want to create a better and efficient place for co-workers and create a better everyday life for the majority of people.

Lessons that can be drawn from the case study

Ingvar Kamprad and Ikea's unique approach is what made his strategic position the success that it became and as it still is today (Kim and Mauborgne, 2012).



Bartlet&Nanda, 1996., said never in the history of the furniture retail industry experienced a value chain approach so unique as Ikea when they enhanced the convenience of self-service.

As a world-famous company, Ikea have provided highly efficient for the suppliers and customers what they are expecting.

The feasibility of a company determines the ability to achieve its vision and mission successfully, by analyzing their financial stability, organizational flow, product and service effectiveness, also market efficiency.



As we all know this year has been extremely hard for everybody, customers and companies have tried to comply to the new rules and new technologies.

By looking at all the details given above the global organization Ikea has achieved its aim since 1943 until this very day to be a responsible business and both suppliers and consumers consider it as a company that can be trusted.



Thanks for listening to us!
Questions?

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