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MARKETING RESEARCH OF THE IKEA BRAND IN POLAND¹

The way to stay in the market and increase your income is to use the potential of modern marketing strategies. The article considers the essence of such concepts as competition, code of ethics, the halo effect in IKEA business. In recent years, IKEA has significantly strengthened its position in the global market. The challenges facing the IKEA industry are analyzed: you can't just do business as usual and count on profit growth; they must be vigilant and responsive to important trends and developments, otherwise they risk being left behind more flexible competitors. Qualitative and quantitative marketing research was conducted and analyzed among international master's students studying second year of a master's degree in international business at the Faculty of Management of the University of Warsaw on their perception of IKEA business. IKEA's mission is to create a better life for many people, so the customer's opinion is the most important. The peculiarities of the buyer's behavior when choosing IKEA products are studied: what needs the buyer satisfies when looking for products; what the client most often needs when choosing the IKEA range; convenience of purchase. Brands of national and world level, peculiarity of their positioning on the Polish market are considered.

Key words: marketing research, brand perception by international students, code of ethics, customer behavior.

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МАРКЕТИНГОВЕ ДОСЛІДЖЕННЯ БРЕНДУ ІКЕА У ПОЛЬЩІ

Спосіб залишитися на ринку та збільшити свій дохід – використовувати потенціал сучасних маркетингових стратегій. У статті розглянуто сутність таких понять як конкурентної боротьби, етичного кодексу, the halo effect у IKEA бізнесі. Протягом останніх років IKEA значно зміцніла на світовому ринку як бренд. Проаналізовано виклики, які постали перед IKEA промисловістю: не можна просто вести справи як завжди і розраховувати на зростання прибутку; вони повинні бути пильними і реагувати на важливі тенденції та події, інакше ризикують залишитися позаду більш досвідчених конкурентів. Здійснено та проаналізовано якісне і кількісне маркетингове дослідження серед студентів-магістрів із різних держав світу, які навчаються на магістратурі міжнародної бізнес програми на факультеті управління Варшав ського університету щодо сприйняття ними IKEA бренду. IKEA місія полягає у тому, щоб створювати краще життя для багатьох людей, а тому думка клієнта є найважливішою. Досліджено особливості поведінки покупця при виборі IKEA виробів: які потреби задовольняє покупець, коли шукає продукцію; що найчастіше потрібно клієнту при виборі IKEA асортименту; зручність покупки. Розглянуто бренди національного та світового рівня, особливість їх функціонування на польському ринку.

Ключові слова: маркетингове дослідження, сприйняття бренду міжнародними студентами, етичний кодекс, поведінка покупця.

Introduction

The IKEA vision is to create a better everyday life for the many people. Since Ingvar (the owner) placed his first furniture order in Poland, IKEA co-workers have been happy to share this philosophy with Poles. The entrepreneurial spirit of the Polish people combined with the Swedish simplicity and need for innovation has resulted in amazing opportunities for growth. Poland was the first country after Sweden to start large-scale production of IKEA furniture. Since 1961, when placed his first order for ÖGLA chairs at the factory in Radomsk, the beautiful and long history of the IKEA Brand in country has begun. Today, Poland is the second largest IKEA furniture manufacturer in the world, and almost 20% of IKEA products are labelled "Made in Poland"(table 1).

Table 1

Impact of the IKEA brand on the Polish economy in 2020[1, p.11]	
Production of IKEA furniture in	63% STRANDMON armchairs, 74% HEMNES cabinets, 70% KALLAX shelving unit, 67% LACK
Poland	tables, 76% SINNLIG candles, 74% HÖVÅG mattresse.
Renewable energy sources	1 billion PLN invested in renewable energy since 2011, 80 turbines on 6 wind farms, since 2016 more
	energy produced than consumed by Ingka Group in Poland.
Finance	140 million PLN income tax in 2020, more than 2,3 billion PLN investments in 2016-2020, more than
	12 billion PLN Polish furniture export value

¹ The article was written and published as part of the research project "Comparative analysis of Ikea brand management in the Visegrad Group countries (Slovakia and Poland): experiences for Ukraine", funded by the International Visegrad Found.

Analysis of recent research and publications

It should be noted that recently there have been many works by both Ukrainian and foreign scientists devoted to the study of theoretical and practical principles of brand formation and development, as well as the IKEA brand itself, namely: Yuzyk, M., & Kofman, V. [2] methods of brand assessment in Ukraine, Duckworth, A[3] harnessing the IKEA effect for student motivation, Christopher A., B, and Nanda, A, [4] developed Harvard Business School Case «Ingvar Kamprad and IKEA", Ozturkcan, S, [5] researched service innovation: using augmented reality in the IKEA place app. Kacprzak, A, Dziewanowska, K& M. Skorek [6] created an analyses of the empirical enalysis of consumers' attitudes towards experience realms.

Formulation of the goals of the article

The purpose of this article is to identify trends and features of the IKEA brand, which formed by the second year of master's students majoring in international management (international business program) in Poland through marketing research and development prospects for the coming years.

Results

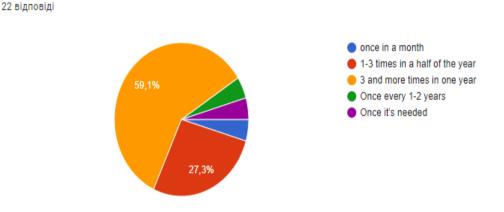
In order to understand how perceive IKEA brand students, namely second-year students of different nationalities studying for the Major: International Management - International Business Program (IBP), we conducted a marketing research using Google Forms, a total of 22 students responded. We were interested in these students because second degree studies in the field of International Management - IBP aim to educate a graduate who knows in depth the research methodology and terminology in the field of management, in particular international finance) and legal sciences (international law). The graduate has advanced knowledge of management, in particular in its international aspect, and related disciplines, knows the principles of creating and developing various forms of entrepreneurship and is prepared to act in an entrepreneurial manner, including international markets. Has the skills and competences to recognize, diagnose and solve problems related to the functioning of the organization and to determine the impact of the environment: technological, social, political, legal, economic and ecological, on the functioning of the organization and the entire economy, with particular emphasis on functioning in the regional and global environment[7].

We have put forward two hypotheses that we want to check in practice:

Hypothesis 1. Students of the International Management - International Business Program (IBP) will often buy IKEA products, while not spending much money shopping online and will have an IKEA family card, they will mostly buy furniture products and will not spend a lot of time at IKEA shopping.

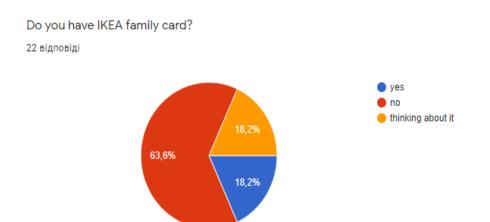
Hypothesis 2. International Management - International Business Program (IBP) students will visit IKEA stores mostly with friends, will believe that the biggest competitor to IKEA in Poland is JYSK and the biggest association with the IKEA brand will be popularity, they prefer to buy IKEA products without asking with the help of an IKEA consultant.

How often do you buy products at IKEA?



Pic. 1. Students answers to the question «How often do you buy products at IKEA?»

From the picture 1 we can understand that students don't buy so often IKEA products (the most of respondents 59,1 % buy IKEA products 3 and more times in one year and 27, 3% 1-3 times in half of the year).

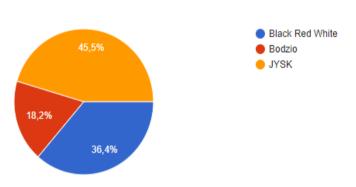


Pic. 2. Students answers to the question «Do you have IKEA family card?»

There are clubs available only to a select few, but IKEA Family is for everyone. Both for those who treat home furnishing as their hobby, as well as for those who are just starting out and need a helping hand. It is enough to be a Club Member to enjoy discounts on many products. You also don't have to worry about receipts – because IKEA Family store them for those who have IKEA Family card[8]. Only 18,2 % of 22 respondents have IKEA Family card, but 63,6 % don't have one.

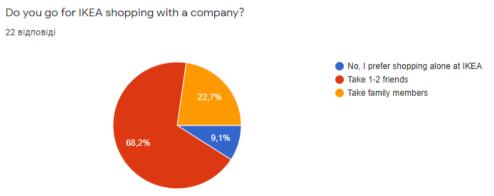
How do you think what is the main competitor of IKEA in Poland?

22 відповіді



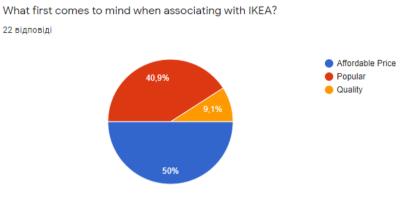
Pic. 3. Students answers to the question «How do you think what is the main competitor of IKEA in Poland?»

Competitiveness (to be competitive) is a nominative credo. It is considered to be the best choice to keep and increase the competitiveness of your company and the national economy. Competition in the difference of the battle for life is a normal dimension of organized social life. It is a natural phenomenon in economic life and the main source of wealth. Healthy competition at school, at work, in private life, in scientific research supports the ability of the system to progressive results, to change, to obtain a higher degree of innovation[9]. Black Red White(36,4%) and Bodzio(18,2%) are two polish companies and JYSK is Danish company, which is the leader competitor of IKEA in Poland 45,5% of respondents thought.



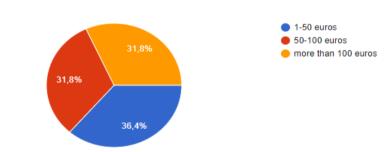
Pic. 4. Students answers to the question «Do you go for IKEA shopping with a company?»

According to answers students usually prefer to go for shopping with 1-2 friends(68,2%), taking family member 22,7% and only 9,1% like shopping alone at IKEA. We can understand that students prefer the company of friends or family members, because it will be more fun to shop in the IKEA store.



Pic. 5. Students answers to the question «What first comes to mind when associating with IKEA?»

The Halo effect stated that 50% of students perceive IKEA as an affordable price, 40.9 as popular and only 9.1% as quality. We can understand why most associated with popular because of IKEA innovations. In November 2021, several popular chain stores in Poland announced changes and innovations. Some of them were already working, but at the level of several stores. On November 22, the IKEA chain introduced the "Give and receive" service of buying used furniture in all its stores in Poland. Used IKEA furniture, no more than 5 years old, can be returned to the store and resold in the customer service department. To use the service, you need to visit the website www.IKEA.pl/oddajizyskaj to evaluate the furniture.To do this, you have to answer a few questions about their type and condition. Then the furniture will have to be delivered to the IKEA store, where the customer service department will check them for compliance with the previously submitted proposal. For each submitted item, the customer will receive a bonus card, which can be used to pay for subsequent purchases in the store and on the IKEA website. Furniture handed over in this way will go to the second-hand goods department, where it can be purchased at a reduced price. In this way, they will get a second life in new hands.

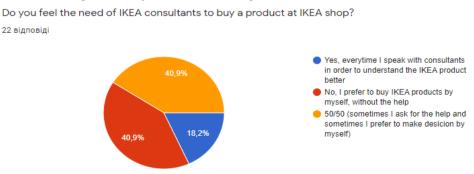


22 відповіді

How much money do you spend at IKEA shop during one month?

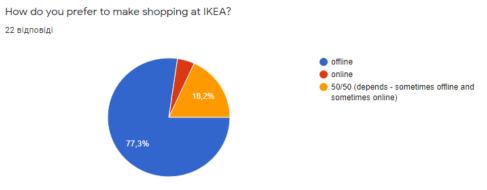
Pic. 6. Students answers to the question «How much money do you spend at IKEA shop during one month?»

We cannot see a big advantage in the limit of spending money in the IKEA store, as the answers are equal: 1-50 euros 36,4%, 50-100 euros 31,8% and more than 100 euros 31,8%. As we can see, students are able to save as well as spend more money on IKEA products if necessary.



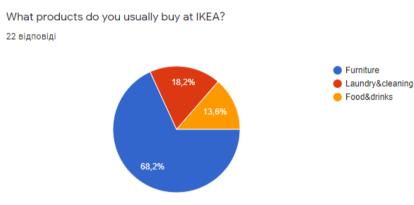
Pic. 7. Students answers to the question «Do you feel the need of IKEA consultants to buy a product at IKEA shop?»

Only 18,2 % of respondents can affirmatively say that they do not need the help of a consultant when choosing a product in the IKEA store. Therefore, IKEA consultants should pay attention to students and help them with their advice in product selection, because students need it.



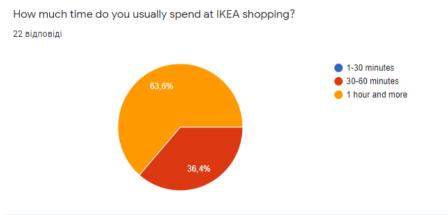
Pic. 8. Students answers to the question «How do you prefer to make shopping at IKEA?»

77,3 % of students prefer to make shopping at IKEA offline, 50/50 (depends – sometimes offline and sometimes online) – 18,2% of respondents. This indicates that it is not so important for students to make a quick choice and save time by shopping online, as the opportunity to see the product with their own eyes, to touch it in the IKEA store.



Pic. 9. Students answers to the question «What products do you usually buy at IKEA?»

As IKEA is mostly furniture oriented, we can understand why 68,2 % of students buy mostly furniture products at IKEA rather than food&drinks 13,6 % and laundry&cleaning 18,2 %.



Pic. 10. Students answers to the question «How much time do you usually spend at IKEA shopping?»

Mostly 63,6 % spend 1 hour and more time at IKEA shopping and 36,4 % from 30 to 60 minutes and no one answered that spend 1-30 minutes at the IKEA shop. This is a positive result because it means that IKEA is able to interest in its atmosphere in the store if students want to spend more time there.

In summary, our hypotheses have been partially confirmed, namely in the first hypothesis, students do often buy IKEA products without spending a lot of money, but they prefer offline shopping, and most do not yet have an IKEA family card. Most of the respondents buy furniture from IKEA, but they like to spend more than an

hour at IKEA. Regarding the second hypothesis, students do visit the IKEA store mostly with their friends, they have identified JYSK as IKEA's biggest competitor, but the Halo effect showed that they associate IKEA with affordable prices and students will need to consult IKEA sellers to make a purchase.

Conclusions from the study and prospects for further exploration in this direction

In summary, it can be stated that in 2020-2021 IKEA's costs for traditional marketing decreased significantly, however, companies' investments in the field of Internet marketing and e-commerce increased. In 2021, interaction with customers in their locations became relevant, because students' answers show that they prefer to be present in the IKEA store when making a purchase, and more than half of them said they need advice on better understanding of the product IKEA and accordingly make the right purchase. At the same time, creating interest is becoming an increasingly difficult task, due to the largest competitor - the Danish multinational corporation JYSK (45.5% of students agreed with this statement, while only with Polish competitors minority Black Red White 36.4%, Bodzio 18.2%). Only 18.2% of surveyed students have an IKEA family card, so IKEA should always come up with and be interested in their products, ie constantly improve and get acquainted with their various student opportunities (IKEA family card is a very good offer because it provides not only coffee, but also discounts on IKEA products). The Halo effect stated that 50% of students perceive IKEA as an affordable price, 40.9 as popular and only 9.1% as quality, so it is necessary to improve building a brand so that it is accepted as quality in the first place. In 2021, the trend among consumers to make purchases via mobile devices has intensified. The use of mobile devices allows consumers to shop at any time and in any place, without actually leaving their work or leisure. Thus, creating a marketing strategy for 2022, it is necessary to carefully consider its components, focused on mobile devices.

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