A case study about IKEA in Sweden and Russia

A company’s image in different countries.

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PREFACE

The last ten weeks have involved hard work, but also given me new insight and knowledge about a company’s image and how it changes between different markets. During my work time I experienced that everything takes a lot longer than one imagines and many parts of the thesis were improved and changed several times. A good spirits during the work process was as well a prerequisite for collaboration.

I am grateful towards my case company IKEA and its representatives, and also towards the focus group members that were able and willing to participate in the interviews, which made this study possible to conduct.

I would also like to thank my tutor Stig Johansson and examiner Torbjorn Bredenlow for their helpful advices and good collaboration. Last but not least I would like to thank my friends and all other persons that gave me support and inspiration throughout this study.

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EXECUTIVE SUMMARY

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Title: A company’s image in different countries- A case study about IKEA in Sweden and Russia.

Introduction: We are living in an epoch of “image projects” where each company aims to create a positive corporate image on the marketplaces. It is not longer sufficient to market the company’s products; the company itself should be profiled. It becomes even more difficult when the company enters a new market internationally, thus it has to create and keep a true and desirable picture of itself on this market. Therefore the purpose of the study is to gain knowledge on the phenomena, if there do exist changes in a company’s image between two countries and also, how a company manages its changed image among consumers.

Methodology: The case company that I have chosen to take as a research example is the famous Swedish furniture company, IKEA. I have chosen to make a field study on this company, thus it was the most appropriate research mode to fulfil the purpose. The empirical data was gathered through personal interview with IKEA representative in Moscow and four focus group discussions, where two of them took place in Sweden and two in Russia. The direct observation and secondary sources were also used in my research.

Theoretical framework: There is a distinction between a company’s image and identity. While identity is the organisational members’ view of the organisation, the image is the way others perceive the organization. It is important for a company to maintain its corporate identity, image and position itself on the market in a correct way. The company needs to be aware of its vision and mission and so should their consumers do. It is of a vast importance for the company’s image, how the consumers perceive the price, quality of the products, which the company sells. Finally, an international company that enters new markets needs to create and maintain the sense of the company across national and cultural boundaries.

Empirical data: The empirical data in the field study came from multiple sources.
The acquired data was helpful for my further analysis of the study. The two countries, where I compared peoples’ attitude and image of IKEA, were Russia and Sweden. I have done interview with staff at IKEA Khimki in Moscow and also observed the store environment to see what picture of the company people have in Russia and then compare it with Sweden.

**Analysis:** IKEA is a special company with a very strong corporate identity and therefore it is very well known, especially in Sweden. The company succeed to bring over its positive image from the Swedish market to the Russian. Of course, there occur some changes in its image, which depend on the fact that the company is not so known in Russia and also on cultural and national differences. The company is aware of that, so it manages these changes by trying to keep its uniqueness and at the same time adapt the business locally.

**Conclusion:** IKEA is in many parts maintaining its “Swedish” image in Russia and does not just become a big international corporation with focus on profits. There are some differences in how consumers perceive IKEA between Sweden and Russia, but these do not affect the sales of the company and the huge amount of consumers in the Russian IKEA stores. The long-term orientation on the Russian market helps the company to build up a desirable and positive image among consumers.
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1.INTRODUCTION

In this opening chapter a general view of the research topic, the background and the problem discussion are presented. Furthermore, the reader gets a description of the main purpose of the study and also a point of the delimitation. In addition, the theoretical and practical relevance of this research is given, as well, as the holistic structure of the thesis is shown, to guide the reader.

1.1 Background

Nowadays, with the increasing movement towards economic integration and globalisation across the world, more and more business explore new markets across the national borders. In the sight of a growing international competition, it appears of a big importance for a company do adapt to the new international markets, while at the same time maintain its identity and to build up a true image of it for the consumers.

Developing a good and genuine image, to embrace international as well as domestic markets is one of the challenges faced by a company when management decides to engage in international business. It is not always easy to position your company in another countries such way that the consumers on these new markets get a desirable picture of your company. Another essential approach for the business is, that company’s image can change over time, which affects the consumers’ perceptions of it and thus how successful on the market it becomes.

On my mind, it is of a big interest to accomplish a study about consumers in different countries, to see how their image of one and the same company differs between these markets.

These differences can be based on many factors, for instance if one of the countries is a well established and old market for a business and the other country is a very new market, where the company is not so well know and recognized. The approach “country of origin” for a company can also serve as an advantage for its promotion but in some cases to its disadvantage. Thus, it can show to be significant for a
company’s image and reputation if it sells its products in its home country or expands to a new market. Moreover, it is necessary for a company to take in accountancy all these factors and to adapt the business in accordance to them. In some cases, it is necessary to search to improve the image in an attractive way on the new market or to adjust it to the one the company already has on its old market. Hence, it is a big challenge for an international company to deal with these factors, to improve its image and make it more successful and competitive on the new-fangled markets.

1.2 Problem Discussion

In the times of global competition it is very important for a company to maintain its identity and to manage its image across the boundaries. Firstly, it appears of a big interest to investigate, how much the perception of a company differs between two markets. To find answers on how the consumers’ picture of a company differs between two countries, it is reasonable to find out the consumers opinion on this phenomenon.

In my research I was curious to look at two countries, these are Sweden and Russia; the company that I have chosen to take as an example, is IKEA. Since IKEA is a Swedish company, their image and identity can be perceived as typical for this country, and also its home market is the most established and explored market for this company. Because the Russian market is a growing, but at the same time new market for IKEA, I have the possibility in my research to have a better knowledge on how much the image of a company changes between two markets; where one of them is relatively old and the other is new, and how the company manages such differences.

The differences of the company’s image among Russian consumers can possibly depend on the consumers’ little awareness of their brand name yet, or on a different view on the usage of the company’s products than for instance in Sweden. It is as well interesting to explore, if the consumers in Russia are conscious about the company’s main visions.

I have talked to some Russian people before and I heard a surprising thing that many people perceive the IKEA products as high priced products, with high quality
and Scandinavian design, while the company’s actual vision is to deliver people low price furniture with good quality. The prices at IKEA in Moscow are low in reality according to Russian IKEA catalogues and my own observations. The explanation of such biases can depend on that the company gets another image in Russia than it has in Sweden. However, these are only preliminary suggestions. Questions arise in my head one by one, I ask myself what an image is in general, how it changes over borders and in particular, how a company deals with these changes.

After all I start with a basic and a sub question that I will attempt to answer in my study.

1.3 Problem questions

The essential question that I will attempt to answer during my study is:

Do there exist changes in a company’s image between two countries?

And a sub question that follows:

How does a company deal with its changed image?

1.4 Purpose

The purpose of this case study is to find answers on the research question and attempt to explore if there do exist changes in a company’s image between two countries and also, how a company manages its changed image among consumers.

1.5 Delimitations

I decided to make a case study, and I only focus on the present image of one chosen company- IKEA, and do not make any highlights in the past.

I selected two countries – Sweden and Russia, where I decided to investigate for my problem questions.

I narrow the focus group interviews to a restricted amount of people in Russia and Sweden; I have done samples when interviewing people in different ages and social
levels. More about the selection criteria can be found in the method part. I did not have a possibility to make several personal interviews with the company representatives; therefore I have done only one. For that reason, the results that I obtain and the conclusion I draw can possibly not be used in general for these countries and for all companies. I have made these limitations of my study, because of the lack of time and finances.

1.6 Theoretical and practical relevance

This thesis has a theoretical relevance, because it consist of theoretical background with theories about a company’s image on international markets and the importance of having a true image in this connection that I applied as a reference in my case study. This research combines both the theoretical framework and the practical investigation of the phenomena, in order finally to increase the understanding on these subjects. The results of this study can be of theoretical interest both for other people, researchers, the university and different companies, for instance IKEA.

In regard to the practical relevance, my study is not done by an assignment of IKEA or any other company. Although the thesis has primarily a theoretical relevance, I have done a real field study about the consumers in Russia (Moscow) and in Sweden (Växjö) to find out, what image of IKEA they do have and if there are any differences. After all, I accomplished the purpose to explore and learn about these occurrences and answer my problem question in practice. As a result the study can serve a reference in comparing the image of any company internationally and make an evaluation over time.
1.7 Outline

In this final part of the introduction I summarize in a model the different steps of this research and the structure of the thesis.

- **Chapter 1:** Here the reader can find a general introduction that includes a brief background, the problem statement and the purpose of the research as well as its relevance and the made delimitations.

- **Chapter 2:** Different methods, relevant for this research are presented and explained and the case company IKEA is presented. Moreover, the procedure of the research is described and shown in details and the timeline of it is presented.

- **Chapter 3:** Includes the most relevant theories on the research problem, that can help to enhance the understanding of the field data in order to analyse it and finally to draw conclusions. The theories and concepts have been found in books and scientific articles.

- **Chapter 4:** Describes the empirical findings, based on focus group interviews, direct observation and interview with the staff at IKEA in Russia. As well the empirical part consists of secondary data that come from IKEA homepage, articles, and books.

- **Chapter 5:** The analysis is based on the theory in chapter 3, and aims to find answers on the research problem, in order to fulfil the purpose of the study. There are several sections, which were designed according to the theories and matched with the field data in an analysis.

- **Chapter 6:** Conclusion part presents the research findings and results of the study that fulfils its purpose. My own thoughts and reflections concerning the study and some highlights in the future are also presented here.
Source:
Overhead picture from lecture in methodology (FEC399, Växjö University)
2. METHODOLOGY

In this second chapter the important methodological aspects of the study are presented and also the chosen company for this case. Furthermore, the selected mode of procedure of the research, which is based on its purpose and the problem question, is described. Finally, the timetable of the thesis is presented.

2.1 The case company- IKEA

I have chosen to use the famous Swedish furniture company IKEA as a study company for my thesis, in order to investigate their image in Russia - a very new and different market for IKEA, and to attempt to make a comparison with its home country market - Sweden.

It has been six decades since IKEA began in a small farming village in Sweden and went from the woods of southern Sweden to twenty-nine countries around the world.¹

When entering the Russian market the logistics chef of IKEA, Gerhard Eggert said: “This is not west, this is not east, this is Russia”²

It is visible that the Russian market is a diverse market and there are cultural and national differences in comparison with Sweden.

I will make a field study to prove if there really are differences in image of a company between two countries that are quite diverse culturally and socially. For that reason I have chosen to accomplish a comparison between Sweden and Russia. The company IKEA is very interesting in this connection, thus it is a typical Swedish company that recently expanded their business to Russia and would like to become successful on this new market. The key purpose with the thesis is to find out, if there do exist differences of consumers’ image of IKEA between these countries and how the company manages these differences.

¹ [http://www.ikea-group.ikea.com/about_ikea/index.html](http://www.ikea-group.ikea.com/about_ikea/index.html)
² “Historien om IKEA Ingvar Kamprad berättar”, Bertil Torekull, Avesta 2005
2.2 Choice of method

In science there are two main methodological approaches that depend on what kind of information is used. Facts and cold figures are forming the ground in the quantitative mode, whereas the qualitative mode consists of evaluation and soft information. The case study aims to investigate the real happenings in the present. Thus the case study can combine several features both from the qualitative and quantitative method.

When choosing the appropriate method for accomplishing my research I was considering between a pure qualitative or quantitative approach and a case study. I recognized from the beginning that the pure quantitative method would not be an option for my study. The difficulties were that for a long time I could not make a choice between wholly qualitative approaches or go the more practical way and prefer a case study mode. However, the design and procedure of this research indicate that it is most appropriate to use a case study approach with elements taken from the qualitative mode and also to some extent from the quantitative.

2.3 Case study

A case study can be defined as “the systematic process of collecting and analysing information (data) from an organisation –in order to increase our understanding of the phenomenon about which we are concerned or interested”.4

The case study is one of several ways of doing social science research […] In general case studies are preferred strategy when “how” or “why” questions are being posed, when the investigator has little control over events, and when the focus is on contemporary phenomena within some real –life context.5

In this thesis, my purpose consists of key questions that I aim to answer through my study and describe the phenomena. The study and my investigation are done on a real company in the present. Therefore, I have decided to make a case study because this type of study is most suitable for my research.

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3 Notes from lectures in methodology course, Lector: Rolf Larsson
4 Notes from lectures in methodology course, Lector: Rolf Larsson
5 “Case study research “, Robert K. Yin, p 1
There are distinguished three types within a case study: exploratory, descriptive and explanatory. I mostly followed the exploratory one in the beginning of my study, since I attempted to learn about IKEA image in Russia and Sweden in a real field study, where I did not have so much knowledge about the research problem before. There are also elements of the descriptive type, thus the one part of the purpose in my research was to describe “how” the company IKEA deals with their different image in Russia and Sweden.

2.3.1 Case study design: qualitative and quantitative

A central moment of the qualitative method is to understand the connection of the product complexion with the entirety. The knowledge intention is primarily “understandable”, not “explanatory”.

In the quantitative method the primary knowledge is to explain the phenomena, which is the topic of the research. This is necessary in order to prove if the reached results are valid for all units that we prove. That makes it possible to forecast about the phenomena.

Obviously, there are possibilities to combine these two methods in a research; according to Andersen. A research with a purpose to gain understanding can use the quantitative data as compliment to another types of figures. As well as an explanatory research may consist qualitative data.

In my case study I used this approach and mixed quantitative data for example statistics; facts and numbers about the research company with the qualitative information such as more unstructured interviews with the store staff and direct observation at IKEA.

Since a study is most commonly expressed in terms of the one or another method, it is after all necessary to explicit that, what can be said to have the characteristic traits for the qualitative respective the quantitative research…

The design of the case study has more understanding character and the empirical data is mostly a “soft” data, therefore my research can be rather positioned in the qualitative group.

6 “Case study research ”, Robert K. Yin , p3
7, 10 “Den uppenbara verkligheten”, Ib Andersen, p31-32
9 “Den uppenbara verkligheten”, Ib Andersen, p32
10 “Grundbok I forskningsmetodik”, R. Patel, U. Tebelius, p43
2.4 Data collection

Data for case studies can come from many sources of evidence. Six important ones are: documents, archival records, interviews, direct observation, participant-observation, and physical artefacts...A useful overview of the six major sources considers their comparative strengths and weaknesses. No single source has a complete advantage over all the others. A good case study will therefore want to use as many sources as possible.11

2.4.1 Primary vs. secondary sources

Secondary data is information that has been collected and put together of somebody else in another situation and for a different purpose than in the actual research. It is more proper to use secondary data in the beginning of the research process, to build up a general knowledge about the research subject.12

I started the collection of the empirical data with looking into magazines, articles and using Internet source for instance the IKEA homepage and SCB.

In many cases the research topic demands more information than what is already available through the secondary sources, thus the information there is often not appropriate to the specific requirements. In that case you may need to collect new information, so called primary data. This type of data has to be collected by yourself through several types of field studies. These include queries, interviews, or direct observation.13

I have accomplished semi-structured interview with the manager at IKEA in Moscow.

To get information on, if the image of a company changes between two markets, I have been hesitating to make focus group interviews that have a more loose structure with the consumers in respective Sweden and Russia, or to accomplish questionnaires in order to get more structured answers and to be able to get responds from a larger amount of people. However, I thought that a questionnaire limits the discussion between the questioner and the respondent, since it is not

11 “Case study research “, Robert K. Yin , p85
12 “Marknadsundersökning”, Lars Christensen i.g ,p88
13 “Marknadsundersökning”, Lars Christensen i.g p.102-104
open. Therefore, I have chosen to use focus groups to obtain more information on consumers’ image of IKEA. I also used direct observation as an important part of the information collection process.

2.5 The design of interviews

One of the most important sources of case study information is the interview [...] The interview will appear to be guided by conversations, rather than through structured queries. Throughout the interview process you have to (a) follow your own line of inquiry, as reflected by your case study protocol, and (b) to ask your actual questions in an unbiased manner that also serves the needs of your line of inquiry.\(^\text{14}\)

The interview technique can be divided in three types: a structured interview, which has a query form, a semi -structured where the interviewer has done questions, but their order and shape can vary, and finally an unstructured mode where the whole interview is informal and is used to investigate some phenomena in the depth. The interview can also be a personal interview, a telephone interview, or a focus group\(^\text{15}\).

I have had one personal semi-structured interview with the store staff in Moscow Khimki. The personal interview was accomplished with the IKEA Khimki marketing manager, Anton on the 5\(^{\text{th}}\) of December. In order to find out facts about the changes in people’s image of IKEA between Sweden and Russia, I have chosen to perform focus groups. I preferred the focus groups, because I was not able to handle such huge amount of personal interviews and the telephone interview seemed to be not sufficient for exploring the phenomena in the depth, since it enables only simple and short questions. Another reason was that not all people that I have chosen for my focus groups (specially in Moscow) had access to a phone.

Here I present an overview of what a focus group interview is and its performance, as it is one of the main modes of acquiring empirical data from the primary sources in my study.

\(^\text{14}\) “Case study research “, Robert K. Yin p.89-90
\(^\text{15}\) “Marknadsundersökning”, Lars Christensen i.g, p165
2.5.1 Focus groups

What is a focus group? The term focus group comes from the idea that groups are “focused” on a collective activity. This collective activity occurs within a social context and gives an opportunity to observe group interactions within this context. Various responders that participate simultaneously in the interview characterize a focus group. Unlike more traditional personal interviews, the focus group approach encourages discussion among group members, and this interaction tends to stimulate ideas that would not be available otherwise. The interview usually is not structured, and is more alike a discussion around the subject of interest. The point with this type of interview is to create a dynamic interplay providing rich information where each member of the focus group can express his or her point of view and thus develop a deeper debate around the subject. In addition, the participants tend to feel more relaxed and safe when surrounded by other people, they perceive the interview environment as being more friendly and informal. This atmosphere allows persons to share information and insights that might never emerge in other settings.

How to form a focus group? The size of the focus group can vary between 12-15 participants or 6-10 depending of what kind of subject is discussed. The general recommendation is to use between 6-10 discussants to obtain a group that is big enough for everybody to express their opinions. A focus group that consists of too little discussants looses the dynamics and people can feel shy to talk much. Too many group members can in contrary affect negatively the interaction, because there might be not sufficient time for full participation among all discussants. The object is to accomplish a focus group with the appropriate number of members that also are quite alike each other. Other ways conflicts and difficulties in the discussion can emerge that have no connection to the researched subject. In summary, focus groups can bee extremely varied in terms of topic, participants, how they are organized and purpose with the research.

16 Article: “What about Focus Group Interaction data?” Wendy Duggleby
17 Article: “Using focus groups to conduct business communication research “, Jackie Hartman
20, 19 “Marknadsundersökning”, Lars Christensen i.g p 178-179
20 “Marknadsundersökning”, Lars Christensen i.g p 177-178
21 Article: McLaffery I. "Focus groups interviews as a data collecting strategy"
How to accomplish the focus group interview? The interview is lead by a person called moderator. The main task of the moderator is to lead the discussion and to make everybody talk within the group. Ideally, the members in the focus group should talk spontaneously about the research subject. But usually some members have to be encouraged. So the moderator should ask concrete questions and direct them primarily to the most silent group members. In other case there is a risk that the more introvert (shy) members simply repeat things that already have been said by the more active discussants. A calm, relaxed atmosphere and a good contact between members is as well essential, because other way the discussants will not feel safe to reveal their real opinions. It is of a big help to record the interview or to film it. It makes it easier to observe the details of the discussion as well as to view the gestures of the discussants.

2.5.2 Direct observation

“Daily we are observing the world around us. We see that the spring’s first wagtail appeared, that a biker has dropped his pocket, that the water is cooking in a pan etc. The observation is the primary instrument for us to obtain information about the environment and we do it more or less by a chance assuming from our own experiences, needs and expectations22.”

The observation can as well be used in science techniques for information collection, for instance by making a case study. In my research, I found it important to visit IKEA store in Russia, to observe the store environment, to see which different people (for instance people in different ages and social levels) are purchasing products there; what they buy or maybe, if they are simply only walking around and using the store as an entertainment place.

2.6 Criteria for judging the quality of Research Designs

2.6.1 Construct Validity

In order to construct validity, multiple sources of evidence should be used in the research process. Another tactic to realize the validity is to establish a chain of

22 “Grundbok I forskningsmetodik”, R. Patel, U. Tebelius, p93
evidence, by performing a linkage between the theoretical frameworks, the construction of the data collection tools and the actual empirical data.23 In this research, the empirical data were mainly collected from focus group interviews, staff interview at IKEA, observations and as well from secondary sources such as company websites, Internet, articles and books. Hence, the methodology of this thesis includes multiple sources of evidence.

2.6.2 Internal Validity
Internal validity is primarily concerned with causal relationship, whereby certain conditions are shown to lead to other conditions, as distinguished from spurious relationship.24 The explanatory concepts of my study are the difference between the images of IKEA between the two countries, which are related to the different position that the company occupies on that markets and in people’s minds and how the company manages these differences.

2.6.3 External Validity
External validity is related to the possibility of generalization from research results.25 The generalization of my results is not automatic, since it is important to take in accountancy the delimitations and chosen sampling of the study.

2.6.4 Reliability and Applicability
The test of reliability is to ensure that if a latter investigator follows exactly the same procedures as described by a previous one, and conducted a similar case study all over again; he should arrive at the same findings and conclusions.26 The chosen problem question was of a big interest for me, because for a long time I have been curious about the IKEA image on their new market - Russia and if there are any differences in comparison to the company’s native market- Sweden. Moreover, it was of an interest for me to see, how the company manages these changes in practice. Since I had a possibility to make a journey to Russia and have the knowledge in Russian language it was easier for me to accomplish this field study. But it cannot be guarantied that any later investigator arrives at exactly the

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23 “Case study research “, Robert K. Yin, p 36  
24 “Case study research “, Robert K. Yin, p 36  
25 “Case study research”, Robert K. Yin, p37  
26 “Case study research “, Robert K. Yin, p 37
same findings and conclusions as I did. Yet, the findings should be valid in a certain grade, taking into account the sampling and the possible dropping.

2.7 Procedure

Before starting the primary data collection for the empirical part of the thesis I started with looking in the secondary sources such as Internet, articles, books, in order to get an overview about the research problem of the thesis and to collect general information about the company IKEA. At the same time I was searching for appropriate and relevant theories on that subject, firstly to determine the concept “image” in general.

I considered to carry out a real field study in two countries, Sweden and Russia. I started with focus groups in Sweden, in order to get an insight of their members’ view on the image of IKEA. I formed 2 focus groups for each country. One consisted of students and the other of older people in ages between 30-50 years. Each focus group consisted of 6-8 people. All focus groups for Sweden were formed in the city Växjö. The “students’ group” was represented by Växjö University students. The interview took place on 2005-11-24. The older group was formed of people from my father’s work and took place the 2005-11-23.

After having finished the “Swedish” part of the empirical findings I travelled to Moscow (Russia), in order to make a similar research. I have done the same number of focus groups in Moscow. One discussion with the students of MAI University in Moscow took place on the 2005-12-07 and the second one with older people on the 2005-12-09.

I visited as well one IKEA store in Moscow, situated in Khimki in order to make direct observation there and to accomplish an interview.

I have accomplished some key questions for the focus groups beforehand to make the discussion more dynamic and easy.27 I have been the moderator myself for all focus groups and used a recorder, in order to catch all important information. Directly after the interviews I wrote down all answers and my impressions about

27 Appendix, attachment, 1
the discussions. I wanted to get a real picture of the members’ opinions and to see if there are differences between their answers. The focus groups showed to be a very good tool to encourage the discussions and to form a perception about what view people in each focus group have about image of IKEA Company.

I have done the same procedure with the information I got from the IKEA representatives in Khimki. I have recorded the personal interview, after all I immediately wrote down the acquired information.

After accomplishing the empirical part with the focus groups interviews, I was able to make an analysis of the information and a comparison with the theoretical framework of the thesis to finally come to a conclusion, where I find answer on my study’s purpose.

2.7.1 Sample

When doing a field study you have to decide, what your target population is and which people are going to be responders in the research. When the whole population is studied, it is called a complete survey, but that is often to expensive and time demanding. Therefore, it is necessary to make a sample, to study the research phenomena, in order to be able to draw conclusions about the whole population.

There are two different types of samples: the probability sampling, where you choose each responder at random and non-probability sampling where the responders are not chosen by chance.28

2.7.2 Strategic sampling

It is a form of non-probability sampling, where the researcher himself judges which persons in the target population should be included in the sample. This type of sampling is usual when doing qualitative studies, where you are not interested in describing the quantities, but where the purpose is rather to obtain a deeper understanding about a phenomenon.29

Since I have done a qualitative case study, I have chosen to use the strategic sampling form, when choosing the appropriate study company, the representatives

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28 “Marknadsundersökning”, Lars Christensen i.g, p109
29 “Marknadsundersökning”, Lars Christensen i.g, p129
at IKEA whom to interview and forming my focus groups. It was difficult to find by chance people that were able and willing to participate in focus groups and in personal interview at IKEA.

2.7.3 *Dropping*

Since I have done a strategic sampling I avoided the dropping, because I was asking people, about which I knew beforehand that they could take part in the focus groups. When doing the interview at IKEA, I did not have possibility to choose either, since I looked for people who had knowledge in my research area and were able to talk to me. However, there was only one representative who was available and had time to take part in the interview, so the other personnel that have knowledge in my research area, but were not accessible, can be regarded as dropping.

2.8 *Time schedule*

In this final part of the methodology chapter, a graphical time schedule is presented in order to give the reader a simple and clear picture of the disposed time.
3. THEORETICAL FRAMEWORK

In this chapter, I will illuminate the most relevant theories that can help to enhance the understanding of the empirical data and after to analyse it in depth. The chapter starts with a general outlook on what a company’s image is and its distinction from the company’s identity. Further follows the more concrete part describing such concepts as vision, mission, customers’ perceived quality & price as well as identity and a company’s development across borders.

3.1 Image and identity

“At best, it can only reflect the company’s true character”

“Image has somewhat fraudulent sound, as though you are trying to put something over”.

Most business people, regardless of the size of their companies understand “image”, to be those intangibles […] such as impressions that are shaped and reshaped to produce the most favourable public reputation.

You think mostly of the image as bending that is achieved through media promotion, the word of mouth between the consumers and other effects that give the company a favourable treatment.

But there is an important distinction between the concepts image and identity.

Identity is what one really is, while image only means how one appears to other people.

“Identity is like a sun. It radiates energy from a solid mass. Image, on the other hand, is like a balloon: it is all surface and spends too much time avoiding pin pricks.”

When developing a company’s image, it builds up of the identity itself and consistency of its use.

30 Selame E. “The company image”, p 5
31 Selame E. “The Company image”, p 6
32 Selame E. “The Company image”, p 7
The corporate identity is comprised of a company and whether graphic image it has chosen for its logo. The identity defines as well, what the company is. Is its name descriptive for the company’s product or service? The logo has to create the image that the company wants to have by the customers. It is as well essential to promote its identity and to use is consistently for a company.33

3.1.1 A model of image, identity and profile

To create, develop and to bring to the company’s relevant environment an identity (I)- the factual company as well as its self-picture, means to seek and establish a profile (P)- a picture on how the company wishes to be viewed and perceived. The main purpose of the company’s profiling effort is to create a best desirable image (Im), - the perception of the company by the extern environment.

Here these three terms are presented in a model, as quantities in a circle form:

In this relations between the three quantities, three circles, that represent I-P-Im relation, mostly coincide.

Fig. 3.1 The integrated I-P-Im relation

In this situation the relation between the terms can be illustrated as I~P; P~Im; I~Im. (The ~ sign means that this relation is approximate, because a wholly correspondence between the terms is neither practical nor theoretically possible).

The figure 3.1 means that the aims and visions that a company has formed were reached on all the essential matters, further that the picture, which the company wished to build, got a real spreading, as well as the company’s market / environment also have perceived and accepted this conception. Such situation says to be reflecting a well-integrated activity. But another meaning of the coincidence of the identity and image can be that the company has reached a stagnation condition, where its previous aims where achieved, without new have been formulated. Therefore, there is no longer any challenging tension between what is in reality (the identity) and what should be (the image).

A new situation occurs when the three elements coincide only partly.

In this case there are some areas in the \textbf{I-P-Im} circles where there are deviations.

When only the profile (P) and image (Im) coincide, then the environmental picture matches with the one a company aims to, but not with the real one. As a consequence, the company obtains a dissatisfied market.

In the next case, the profile (P) just has a covering of the identity (I). Here the identity corresponds the profile- the company’s aims, ambitions, directions, but identity is not perceived, accepted or understood by the company’s market. The insight of that releases a disappointment between the company’s management and employees.

One more exciting situation where the image (Im) corresponds the identity (I) indicates that the surrounding picture of the company is wholly correct. But it is not always advantageous for the company, because it aims to embellish its picture.

The areas where the image corresponds neither the identity nor profile indicate that the environment has perceptions, opinions, and attitudes about the company that differ strongly from the reality and can arise out of the company’s control. \(^{34}\)

\textbf{3.2 Mission and vision}

Mission and vision are a part of a company’s identity. Creating a genuine and inspirational vision and mission is the first step in building a value driven organization.

\(^{34}\) “Strategisk marknadskommunikation”, Olof Holm, p 73
Mission:

The mission’s formulation should be concise, complete, and easy to remember. A mission can be defined as the reason for the company’s existence. The mission should awake employees’ inner motivation and allow them to achieve personal fulfilment beyond earning a salary and guide them far into the future. A good mission should also be acceptable to customers.

A good mission fulfils four purposes:
1. It describes the company’s main area of operations.
2. It creates space for more effective products and services to develop.
3. It inspires customers.
4. It inspires the employees to work more effectively.35

It is important that everybody in the company agrees about what it does. If there are different opinions about the company’s area of operations, focus is lost and effort is wasted. It is as well important for individuals and organizations to be aware of the mission, or a deeper purpose before they come into contract with the vision. Thus, a vision without a mission often results in loss of focus and wasted energy.36

Vision:

It is not easy to define what a vision exactly is, some definitions are:

“A picture or view of the future. Something not real but imagined. What the company could and should look like. Part analytic, part emotional.” (IBID Thornberry, 1997) CF Aperia T.

The vision expands an organisation’s intentions regarding to the future it wants to create. For the employees, it describes the future the company intends to provide for them. Vision therefore, provides a source for long-term motivation.

The vision as well as mission should be relevant, easy to remember, inspirational concise and meaningful. The individual words should be complemented by symbols by graphic images or symbols to capture a more effective vision.

35 Aperia T.& Back R. “Brand Relations Management”, p 12
The usage of vision in marketing context shares many similarities with its use in a religious context. By shaping a vision, a company paints a picture, which can be seen as a revelation.

The vision can be separated in three following components (see fig. 3.3):

1) *A clear picture of the environment in the future.* This component is the “vision of the future”, where the attempt to predict the future encourages leaders to think about the environment they want to see for example in ten years. Then, a vision should be translated from words to pictures using graphical descriptions of how things will look as goals are approached.

2) *Purpose/mission.* This component should focus on how the world would be a better place; as a consequence of the company’s existence. A company endeavour should be more than just to make a healthy profit. Profit, is something that should be taken as given, in the same way as you have to breathe to stay alive.

3) *Values.* The values determine the employees’ behaviour regarding the delivery of the brand’s promise. Values are deeply rooted rules, which build on the belief that one-way of existing, or a particular result is preferable to another. The company’s values should be few in number, as the employees become confused when presented with too much information. This confusion and uncertainty of how they should behave can create uncertainty about the company’s brand. Values can be seen as characterising the company’s position and also create behavioural norms within the organisation.
3.3 Core identity and extended identity

Brand identity consists of the brand associations that the brand strategist wishes to create or preserve. These associations should convey a promise to the customers from the organisation’s members. Since the identity is the basis for all brand-building activities, it must convey both depth and fullness. Brand identity is thus the sum of signals sent by a company, while brand image is the picture that emerges in the consumers’ minds.

Brand identity consists of a core identity and extended identity. Core identity- is the timeless core of a brand, and should encompass elements that make the brand both unique and preferable for the target group. All dimensions of the core identity should reflect organization’s strategy and values. The associations should differentiate the brand and meet the customer’s needs.

However, the core identity usually does not contain enough details to fulfil the entire brand identity, and extended identity is needed to supplement the necessary details. The extended identity offers foundations that help the brand to move

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37 De Chernatory Lesly etc, “Creating Powerful brands”, 2001, p 35
beyond attributes. Brand image and symbols, for example can give assistance on both a strategic and tactic level.\textsuperscript{38}

\subsection*{3.4 Brand identity prism}

A \textit{Brand image} is how the consumers perceive the brand. A brand’s identity must precede its image. The truly central concept in brand building is brand identity, and it must be identified and managed by the brand owner. However, in order to fully understand brand identity, one must also understand and consider its current image. Therefore, when building a brand or a company name, both its image and identity are important. Before we can see understand in what direction the brand can develop, we must understand who the brand is, why the brand exists at all and the brand’s mission, vision and values.

As a tool to illustrate brand identity a prism with six facets can be used. A brand identity prism gives a view on how the brand owner wants the target group to perceive the brand’s identity. The brand identity prism is very helpful tool for analyses of brands\textsuperscript{39}

\begin{figure}[h]
\centering
\includegraphics[width=\textwidth]{brand_identity_prism.png}
\caption{The brand identity prism}
\end{figure}

The prism consists of six facets:

1. Physique: the sum of brand’s basic characteristics.

2. Personality: the brand has personality and can over time develop character. The easiest way to bestow a personality on the brand is to give it a spokesperson-human or animal.

3. Culture: each brand has a culture from which all products within the brand frame originate.

\begin{thebibliography}{99}
\bibitem{Aaker} Aaker, D ” Brand Extensions: The Good, the Bad and the Ugly”, \textit{Sloan Management Review}, 1990 47-56, p87-95
\bibitem{Kapferer} Kapferer J. , “\textit{Strategic Brand management “}, 1992, p11
\end{thebibliography}
4. Relationship: A brand has relationship to its consumers and frequently offers possibilities for interpersonal exchanges.

5. Reflection: A brand reflects its customers’ image and becomes identification. People are often well able to describe what type a certain brand’s consumers they are. Consumers can consequently use the brand in order to show who or what they identify themselves with, for example the Coca-Cola target group is associated with younger generation. Moreover, it is not uncommon for brand owners to create such target group reflections to build a kind of image mirror with their customers.

6. Self – image: If reflection is considered to be the target group’s external indication, the self-image is the consumer’s internal mirror. In that way we create a picture of ourselves through our attitudes to the brands we use

3.5 Consumer perception of price, quality and value

There is a conceptual model, which defines and demonstrates the relation between perceived price, perceived quality and perceived value.

The main components of the model:

1. Perceived quality

Perceived quality differs from objective quality. It is important to distinguish between product attributes and consumers’ perception of them, since consumers have different opinions. Those are the perceptions that control behaviour, not actual product quality.

For the customer the perceived quality is on higher level of abstraction than the separate product attributes. Perceived quality is assessed within the customer’s “evoked set”. A products quality is valued in relation to the products that the customer sees as substitutes.

Quality signals can be given as both intrinsic and extrinsic cues. The intrinsic cues are triggered by the product’s physical make-up; taste, colour, consistency, while extrinsic cues are related to the product being inherent to its price, brand name, publicity (the level of advertisement investment).

The level of advertising can also work as a quality indicator, as it is assumed that a brand owner would not invest large sums on advertising for a mediocre product.
2. Perceived price and relationship between price and quality.

Price is defined as what the customer must give up in order to acquire a product. The term price consists of 3 components:

* The objective price, monetary price
* The perceived, non-monetary price
* The perceived total-price (monetary + non-monetary price)

The distinction between objective price and perceived price depends on that the consumers do not remember the exact price of a product, but code it in a way that is meaningful to them.

The monetary price is also not the only expense for a consumer; time cost, search cost and mental cost are additions to the consumer’s perception of total cost.

Traditionally, the consumer should find a positive relationship between price and quality, where higher price corresponds better quality. But there are situations, where consumer can rely heavily on other signals than the price level alone, for instance:

- When other quality indicators are available,
- When the brand name lends credibility to the brand owner
- When the level of advertising investments communicate to the consumer that the brand owner believes in the product’s quality.

3. Perceived value

The consumer’s perception of value is highly individual. The obtained value can be defined in several ways.

- value that is a low price, where what the consumer is forced to “give” for the product is the most tangible indicator of his or her perception of value.
- value that is what the consumer looks for in a product, with other word – what the consumer feels he or she gets out of the product
- value that is the quality the consumer gets for the price he or she is paying. Here the value is seen as a trade-off between a “give” and a “get” components.
- value that is everything what the consumers gets for money, where all relevant “get” components are related to “give” components.

Thus, what the consumer gets can vary: some want volume, others high quality some look for comfort and prestige.

The concept value is a concept on a higher level of abstraction than quality.
Moreover, the consumers’ cognitive ability for assessing value is very limited. People tend to form their impression of value that depends on cues, often extrinsic instead of weighting prices against product advantages.

Fig 3.5 A conceptual model- the relation between price, quality and value.\(^{40}\)

3.6 A company’s identity and image across borders

In an international organization activities and individuals are spread over vast geographical areas. Organising an international business involves creating and maintaining a sense of organisation and defining oneself on the markets, across national and cultural boundaries.

The symbolic activities both create and reflect a self-concept - the organizational identity.

The shared symbols and meanings that make up the organizational identity are established communicatively through social interaction. Thus, in large international organizations, sense-making through social interaction is embedded by space and time.

There is a want for a company to keep a sense of “We-ness” when moving its business to another country. It helps the company to preserve its identity and uniqueness as well as maintaining its image. Some examples of “We-ness” communication to another markets are; the same dressing style of the employees, the similar store design, same norms and rituals as well as keeping the same symbols, slogans i.e. 41

3.6.1 Local adaptation

There is as well a need in a complex and geographically dispread company to balance the international company’s gains from global co-ordination with the needs for local adoption.

Local marketing involves tailoring brands and promotions to the needs and wants of local customer groups – countries, cities, neighbourhoods and even specific stores. Local adaptation helps the company to market more effectively in the face of pronounced regional and local differences in community demographics and lifestyles.

The drawback of local marketing is that the brand’s overall image may be diluted, if the product and message vary in different localities.42

41 “Identity across borders”, Salzer M, 1994, p185-186, 194
4. EMPIRICAL DATA

In this chapter, the empirical findings divided in 4 sections will be described. Firstly, the facts and information about IKEA acquired from secondary sources are presented. Following, the primary data from focus group interviews and from the personal interview with IKEA representative are given. In addition, the results from my direct observation are presented.

4.1 COMPANY PRESENTATION

What does the company name IKEA mean for us people living in Sweden, what is the first thing we use to thing about when hearing this name?

IKEA, a Swedish furniture company, selling products with modern Scandinavian style and design, is driving its business all over the world, and becomes one of the most competitive and leading furnishing brands. Their business consists of almost 180 blue-yellow stores around the world visited by nearly 300 millions people. Every year they expand new markets in Europe, USA, China, Turkey and finally a big adventure to Russia.43

With the vision – to create better everyday life for the many people, IKEA operates it by offering a wide range of well-designed, functional home furnishing products at prices so low that so many people as possible will be able to afford them. 44

The IKEA corporate site states:

“Keeping prices low takes a concentrated effort at every stage of production and sales. We are persistent in finding ways to use the economies of scale, better production methods and smart design to keep costs low, without affecting the quality of IKEA products.”

Since the company’s motto is “a better every day life for everybody”, they also tell on their homepage:

“It’s not difficult to manufacture expensive fine furniture. Just spend the money and let the customers pay. To manufacture beautiful, durable furniture at low prices is not so easy. It requires a different approach. Finding simple solutions, scrimping and saving in every direction. Except on ideas.”

43 www.ikea.com
44 www.ikea-group.ikea.com/abot_ikea/index.html
Their business idea is based on a partnership with the customer. Using the IKEA catalogue and visiting the store, the consumers choose the furniture themselves and pick it up at the self-service warehouse. Because most items are packed flat, you can get them home easily, and assemble them yourself. This means IKEA don’t charge their customers for things that they easily can do themselves and save money for a better everyday life.

IKEA group consists of such divisions as: IKEA stores, Distribution, Purchasing, Industry group, Developing the product range, Expert and supporting functions, including IKEA IT, IKEA Communications, IKEA Food Services, and more.  

I can guess that IKEA name stands in the same range with such famous brands as Mc Donald’s, Nokia mm in people’s minds. The famous IKEA culture is a concept well – known in the Swedish economy and marketing. IKEA is recognized as a successful furniture company; it has an unique identity that depicts the company like a little community or better to say a big family that has its rules, norms, and their specific culture, one reason for its great triumphs in business.

“Family like a company - a company like a family”.  

This little slogan expresses very well the identity or better to say the “Soul” of this company and its legendary grounder Ingvar Kamprad. 

The company has build up its true and outstanding image in consumers’ minds through many years of hard work first in Sweden, where the first IKEA store was opened in a small village -Älmhult year 1958, and later over the whole world. 

Of course, there were present both success and failures in the history of this company.

“ I still feel an enormous pleasure to be able to make business. A likewise greater delight for me is to discover new visions and to make the other people believe that these are practicable in reality. Perhaps, it is this feeling of urge and keenness to miss a chance that still keeps going both the whole movement and me, that makes me never stop thinking of something that can emerge in a good business...”

45 Appendix attachment 2  
46 “Historien om IKEA, Ingvar Kamprad berättar”, Bertil Torekull , Avesta 2005, p 6
But the loveliest one wins where there are no losers. Unfortunately, I could not avoid myself from hard looses. However, the history of IKEA consists of both fiascos and triumphs “(Ingvar Kamprad)47

4.1.1 IKEA -Background
Here a time line of IKEA with its most important events is presented, to give the reader a better understanding of how the company has developed.

1943 Ingvar Kamprad founds IKEA when he is 17 years old. The initials stand for Ingvar Kamprad   Elamtaryd Agunnaryd. 
1951 The first one million turnover of IKEA
1958 The first store in Älmhult in Småland is inaugurated.
1965 The IKEA store in Stockholm is opened. Thousands of people queue for the opening of the flagship store. The store is very huge, which causes capacity problems in serving the customers. By opening the warehouse and letting people serve themselves, an important part of the IKEA concept is born.
1973 The first IKEA store outside Scandinavia is opened outside Zurich, Switzerland. Its success paved the way for a quick expansion in Germany, which is the largest IKEA market today.
1982 The creation of INGKA concern, IKEA becomes a form of foundation.
1985 The IKEA store opens in the USA. At first, the company is not sure if America needs IKEA… After all IKEA discovers, that there is a need for useful attractive home furnishing at cheap prises in USA as well.
1986 Ingvar Kamprad leaves his post as IKEA chef and his follower Anders Mobergs enters the post. At the same time the company reaches a turnover of 10 milliards SEK.
1998 Ikea’s 137th store is inaugurated in Shanghai, and it is the first in China. 48
2000 The first IKEA store opens in Moscow (Khimki)
2002 IKEA has 175 stores over the world. The turnover exceeds 100miljarder.

47 “Historien om IKEA, Ingvar Kamprad berättar”, Bertil Torekull , Avesta 2005
4.1.2 IKEA expansion to Russia

The way to the Russian market was not simple for the company. IKEA had great losses when it established their first stores in Moscow, because the company seized on a long-term orientation and invested a huge amount on money in its Russian business. Some critics predicted that the idea to expand to Russia was a mistake and that the company would not have success. Ingvar Kamprad and his company tried to enter the Russian market since 1989 but they failed these times. That is why many people were sceptical about IKEA’s new effort in year 2000.49

In spite of this the IKEA opening day in Moscow in March 2000 was really successful. Although the store in Khimki is 31000 qm big, the new shop nearly busted. About 37000 people besieged the store, which was a new IKEA record. The store was so full that even Ingvar Kamprad, who joined the opening party, helped his employees at the pay desks.50

By now the company expands its market to Russia and opened 2 more stores in Moscow and 1 in St Petersburg. By year 2008 they plan to open 8 more stores in bigger cities.

4.2 Focus groups comparison of IKEA image

4.2.1 Focus groups in Sweden, Växjö

The focus group discussion with students of Växjö University, 2005-11-23, (4 girls, 2 boys in ages between 20-24). And the conversation with workers on Mathematical department of Växjö University took place on 2005-11-24 (7 people with middle and higher income in ages between ca 29-55, of which 1 woman and 6 men).

Focus group Nr.1, students: The discussion started with talking about how the discussants perceive the company in general. Such links where mentioned: cheap, undemanding furniture with simple design, “everything available on one place”. Everybody agreed that the first association of the company is furniture, whereas two people as well referred to the company’s “Swedish-ness”, Ingvar Kamprad and flat pockets that you have to construct on your own.

49 “Historien om IKEA Ingvar Kamprad berättar”, Bertil Torekull, Avesta 2005
50 www.jmk.su.se/global02/jessica/michael, 2005-11-12
Image of the company in general: this topic caused deep discussion, because nobody could unambiguously answer on that question. Some discussants agreed that the image is created mostly by IKEA itself and it is better to talk just about “what picture of the company one has”. The others précised their image of IKEA with such terms as: cheapness, not so good quality, youthful products, simplicity, modernity, “cheap & good”, and again the “self construction” approach.

Concerning the vision and company concept, according to the discussants, following phrases were brought up; “to design and build so cheap furniture as possible, thought useful and modern one”, also “cheap furniture that everybody can afford”. Discussants agreed that the company has wholly a good concept, where the main point is to be able to sell very cheap furniture, because the consumers do one part of the work by themselves, when building the furniture. That saves the costs of the company, and thus reduces the prizes.

Do you buy the IKEA furniture and accessories yourself? Five focus group members have bought something at IKEA, some have bought furniture for a whole flat, whereas some (mostly girls) were likely to buy accessories and smaller furniture. One girl did not buy anything yet, but plans to go there when she moves out from her parents.

Do you feel that the IKEA products fit your lifestyle, personality? Everybody agreed that IKEA has very big assortment of products, so you can always find something that you like and fitting for you. The boys agreed, that in spite of this, the furniture is a kind of too cheap and that does not fit their style. So if they had more money, they would buy more luxurious stuff.

The prizes & quality at IKEA: The members perceived the quality of the products “ok” in regarding to the low prizes. Some found that the company has improved their quality during the last years, and it became better, but has not been so good before.

There were as well differences in opinions about the prices. Half of the discussants said that the prices at IKEA are not so cheap in reality. No one perceived the prices as very cheap.

The opinions about the furniture in common: ordinary, simple furniture for everyday life. Some members did not have any point of view, because they did not think about it before.
Everybody found that it is normal and acceptable to build the furniture by themselves, moreover two people found it very interesting and funny. On the issue of IKEA’s success all discussants had almost the similar view; that it is a famous and flourishing company with a large market share. One person added: “of course it is the worlds’ most successful company and has its stores everywhere, everybody knows about IKEA and Ingvar Kamprad who is the worlds richest person... so what can be more successful than that?!”

The lacks of IKEA image: most discussants agreed that the company has good image and they don’t have any bad associations with it. One person marked that they possibly do not have so good quality, but it is sooner a part of the company’s business concept, where to be simple and cheap cannot include everything.

The company’s target groups that were mentioned: all people except the rich, or with other words “ all people with limited finances”. The furniture could also be used by older people, because the company has a big range of different designs and styles, from very modern to antique.

Everybody agreed on the point that the image of IKEA in Sweden will not change over time. The members agreed: “IKEA is so established and known and it already became a kind of national company in Sweden “.

Focus group Nr 2, older people:
This discussion lasted a little shorter because it took place at the lunch brake and people had to go back to work. The general image of the company among the discussants was fairly positive and the associations where pretty similar with the students’.

Some phrases that were mentioned about IKEA’s picture: simplicity, success, well known brand name, youthfulness, “products for usual people”, bigness, nice personal, “a usual standardized store, consisting of furniture for every taste” and also “furniture that is cheap to produce, not exclusive “, “good value for crone”. The discussants were as well not much aware of IKEA’s vision and concept, for some members it sounded the same as a company’s image. One person told: “the company is primarily offering its products to the wide public, products for everybody”. Many discussants associated IKEA with friendliness.

All focus group members have bought IKEA furniture themselves. But they did not use the catalogues that much, most people just visited the stores when they felt,
they needed some things for their home. One problem that emerged in this connection was that the IKEA stores are not situated in every city, and people do not have possibility to go to other towns so often, an example that was mentioned, a drive from Växjö to Älmhult. Therefore the most discussants agreed that they make big purchases if they go to IKEA, and don’t go there just to buy for example a lamp.

On the question about “IKEA fits your lifestyle”, the answers were almost the similar with the first focus group, the discussants agreed on the point that IKEA has a big assortment of products with different styles. One discussant noted that IKEA products look “anonymous and do not stick out of the interior “.

The opinions about prices were the same as the students’: quite low, but not very low. The attitude towards quality of products was better in this group.

The views about the self-constructi on approach differed. Some found it entertaining the others ok, one person complained that it is annoying when some parts of the furniture are broken or screws are missing.

The opinion about the IKEA furniture in common: everyday furniture, simple, some discussants pointed out that there are different perceptions of IKEA products for instance between Sweden and USA, where the furniture is seen as more glamorous and luxurious.

The members found as well that the company is very successful, with “ a good concept”, “ found its own niche”, “ typical Swedish company”. The restaurants with Swedish food were also placed as a part of the company’s individuality and success.

One member found some lacks in her picture of the company; she mentioned the big distances to the store, little personal, and big crowds during the holidays and weekends.

Finally, the focus group members considered as well as the first focus group, that the IKEA products are directed to the “wide public”, thought not for the richer people.

4.2.2 Focus groups in Russia, Moscow

One discussion with the students of MAI University in Moscow on the 2005-12-07, (3 girls and 3 boys). The second focus group was with older people on the 2005-12-09.
It consisted of three couples, whereas one couple can be regarded as middle income, the second with higher income and the third as very rich.

Students’ focus group:
Not all of the students participating in the focus group have been to IKEA (two of the boys have never been to the stores), but all have heard about this company. When talking about the image of the company, discussants primarily meant only the stores. Their image was: a big store, many little nice products, furniture, very good things to give as presents, a very modern style for young people.

The same was said about their vision and concept. The students told that they have not bought any bigger furniture themselves yet, since they live at home and do not have a need of that. They primarily buy little things like pillows, commodes, and kitchen items. However, the girls told that they would primarily go to IKEA when they move out to their own flat to buy furniture there; the boys agreed that it also could be an option for them, but they do not know yet.

The discussants found that the prizes in the store are quite low and on their mind the quality is also good. They could not tell it for sure, because no one of them has bought that much furniture yet.

Everybody found that any IKEA store looks like a successful business, because it is not often you see such a big store with very bride product range, a restaurant and a free buss that drives to the store.

Those students, who have been to IKEA, noted that their attitude towards it has changed, since it opened. In the beginning there was large amount of ads and huge promotion all over the city. Therefore they thought that it is an expensive and luxurious store. When looking at the decorated little rooms inside the store you could imagine that the furniture is very exclusive. Now, when the students have visited the store, they know that the prices for the most products are low.

The IKEA restaurant was also appreciated as “very good with tasty food”. But nobody knew that the served dishes were typical Swedish, they just found that the food was usual, good, and tasty.

The “constructing furniture by yourself” sounded difficult for the discussants, they found that it is much better if somebody does it for you.
Again, the discussants found that it is obvious that IKEA (at least in Moscow) is a very flourishing business with lots of ads, many cars on IKEA’s parking place, big crowds i.e.

Some lacks in the students’ IKEA image were: the need of “self-service” in the store and not enough personal. Also, that in one store (Belaja Daza, the newest one) the personal themselves has problems to find the needed products. Also the need construct the furniture by yourself was not so funny and entertaining for students. One girl, which has been to IKEA many times, wished that they should change the assortment more often and organize some big “sales” to attract more customers. Finally, the students found that the IKEA products are directed primarily for them, also for younger couples with children as well as people without children. Concerning the rich people, they possibly bought the furniture only for their summerhouses, so called “dachas”.

*Older people:*
All 3 couples that where in the focus group did know about IKEA and have visited its stores in Moscow. The associations that this company causes differed between the couples. The middle-income family answered: “products for usual people”, “Swedish socialism”, and “Swedish quality”. The other couples did not lay that much weight on the Swedish-ness of the company. They mostly thought of cheap, functional furniture. In whole all couples had a very positive picture of IKEA. The vision of the company was not clear in this group either, so the focus group members started to talk about other things instead: like what things they recently bought there how they liked the store personal i.e. Some more descriptions of IKEA were: “simple, not snobbish furniture”, “very comfortable and steady”, “Swedish style”.
All couples have bought things at IKEA, though the richest couple told that they usually buy Italian design furniture and just buy things for their little child and for the storage at IKEA. They liked the products for children. They told that there is a big assortment of toys and furniture for children and all things are useful. The middle-income couple have decorated their whole apartment with IKEA products, they liked the IKEA kitchens a lot and also the decorative paintings. They liked as well that IKEA furniture looks “natural and ecological”, and that “the character of the wood is expressed well”. On the opinion of the richer couple, the IKEA
furniture is most appropriate for a summerhouse, since it has a simple, natural style and design. But for their apartment they still preferred the “Italian style furniture”. All couples agreed that the prices are low. The richer added that even too low; that is to say, in some way it is not prestigious for them to acquire their furniture at IKEA. Despite of this they still bought some smaller things: like coloured boxes, a sofa to their veranda, since there are no similar products in other stores.

Two couples found the quality of the product as being very good. One couple bought a wardrobe that broke, thus they were a little disappointed. As a whole the discussants found that the quality is satisfactionary, for most part because a Swedish company in Russia is associated with a high quality.

The company approach about letting the consumers construct the furniture was not important for the discussants; they told that they usually do not think about it. When they buy smaller items it is no problem to construct them, for bigger furniture it is more difficult and when they find it to difficult they invite special workers to accomplish that.

The middle-income family liked IKEA furniture most of all, they found the furniture very nice, “steadfast but not stuck-up and looking democratically”.

All couples liked the IKEA restaurants a lot, as well as the cheapness there; they added that the restaurant improves a lot their image of the company.

The discussants said, that the company is “really successful” and their business will expand more and more in Russia. They found that the image of the company would remain the same at least during the following 50 years. One couple found that IKEA’s expansion to Russia could be compared with Mc Donald’s; it becomes more and more usual but people like it and go there anyway.

The negatives about the stores that were mentioned were the same as the students’: the hugeness of the stores, to little personal and big crowds during the weekends.

The couples found, that all classes in Moscow buy the IKEA products, though the rich not in the same extend, because in some areas it is not prestigious, for example in the famous Rublevka area, where the country’s richest people live.
4.3 The interview with the IKEA representative in Moscow

The personal interview with the IKEA Khimki marketing manager, Anton on 2005-12-05 lasted for ca 30 minutes. The discussion had an unstructured character and Anton could not give responses to all questions, partly because it was not his competence as well on some of the questions IKEA does not answer.

What is Ikea’s target group in Moscow?
On his mind, the furniture is directed to all segments, he sees all kinds of people visiting the store and purchasing products. He meets rich people with very fine clothes and expensive cars as well as big families from suburbs that saved money and come to IKEA to acquire something. He added that for richer people IKEA is an option, when they prefer something stylish with modern design, because Swedish furniture is regarded as tasteful and modern in Russia. But of course the choice depends mostly on people’s individual taste.
The poorer people buy their furniture because of the reasonable cheap prises.
Anton added that it is more meaningful to ask consumers themselves to see, what segments prefer more IKEA products.

Do you think that the company has a different image in Russia than on its native market?
Since Anton is a Russian manager he did not know that much about the company’s business in Sweden. However, he detected that by now the IKEA furniture is often regarded as something extraordinary, people often go to IKEA like to a museum, just to see how people decorate their houses and flats in the “west”.
Anton noted that the perception of IKEA in Russia has already changed a lot. Since the first store was opened in Russia in year 2000, now people are not any longer troubled or feel strange to decorate the whole apartment with IKEA furniture. That is because there is still a big difference between the furniture and accessories that people did have before in their flats (in the USSR times), and IKEA gives a completely new style and design to the same homes.

Do you think the image of the company will change over time?
Anton predicted, that over time the perception of IKEA in Russia will approach the same image as in other countries, for instance in Sweden. People in Moscow (since there are only stores in Moscow and St. Petersburg, Anton did not talk about the
whole country) will become used to IKEA and go there mostly to buy some useful stuff, to obtain comfortable, everyday furniture; and not see the store as a kind of exposition.

Does the company apply some strategies to maintain and improve its image in Russia?

Anton told that it is not in his competency to give respond to that question, because the whole Khimki store is involved in that. There is large amount of managers, specialized on each his or her task in the store’s image creation, like the advertisement manager, product manager i.e.

According to Anton the consumers’ picture of the company will suggest itself for the most part without IKEA’s involvement. Anyway, the advertising strategy of the company differs between Russia and Sweden, in Russia they seize on funny and attention drawing ads to promote the company in a pleasant and unusual way in order to attract new customers. The product range differs as well, but Anton did not have possibility to tell by what products.

Anton added that all product sold in the store are named with Swedish names to bring over the “Swedish-ness” of the products and give the consumers the “feeling of origin”. That is important for improving the products and IKEA’s image, because in Russia, Sweden is traditionally associated with high quality and modernity.

Anton also mentioned that there are huge programs on educating and on heightening the managers’ qualification at IKEA in Russia. Next week Anton was going to Älmhult, Sweden in order to exchange practices and knowledge with the Swedish colleagues. It is very helpful for bringing over the company’s original traditions to Russian employees and create a stronger understanding of IKEA among them.

4.4 Direct observation at IKEA Khimki Moscow

My observational trip in the store took place on the 2005-12-05 lasted for so long as 3 hours.

The store is situated ca 20 minutes by buss from the nearest metro station in Moscow. There are free busses driving each quart from 2 metro stations to the mall,
the IKEA store is just a part of it. This service is very important because many people do not own a car. There is as well a free parking near IKEA for those who have cars.

The store itself is very huge and consists of two plans (the other two IKEA stores in Moscow have exactly the same construction and design). By tradition the store is decorated in yellow-blue colours, exactly the same as for the stores in Sweden.

On the second floor there are constructed many small rooms, designed with different furniture and accessories, to give the customers an impression of different styles, as well as to present the IKEA products in an attractive way. The first floor consists of storage for furniture and other stuff.

During my visit, the store was quite crowded, thought it was a Monday. I could see all kinds of people, many mothers with children and also younger couples. Many people were just gazing around or buying smaller items like vases and pillows.

The restaurant was full too, the prices were very cheap there, and by comparison a soup cost 19 rubbles in Swedish crowns ca 7 kr, a coffee 12 rubbles = 4 crowns. Those prices are very low for a restaurant in Moscow and on my mind, the prices were also lower than in a Swedish IKEA restaurant.

The served dishes were by tradition typical Swedish, with the unchanging meatballs and salmon with “knäckebröd”.

As I have mentioned, the store is very big and I had some difficulties to find the exit, thought there were signs that showed the way. There were not so many personal, but all of them were friendly and helpful, so if one needed something, it was no bigger problem to get help.

One point, that on my mind differed from the Swedish IKEA, was that customers could invite special workers to construct the furniture for them, and the prices for that service were not that high (6% of the products’ cost). I talked with the personal at this department and she told me that the usage of that service was pretty common by people in Moscow.

In whole, I had a very nice experience of visiting the store I liked the restaurant, the store atmosphere and the personal was friendly.
5. ANALYSIS

In this chapter, I will analyse the field data in order to make sense of the empirical findings and draw a conclusion in this field study. The analysis is guided by the theoretical frameworks about image in chapter 3. The chapter is designed according to the sections with the listed theories from chapter 3. It starts with “IKEA image” and follows by an analysis with help of the identity prism, “prises and quality approach” and ends with a comparison of IKEA image between Russia and Sweden and tools for managing these differences.

Fig 5. Analysis model own figure
5.1 IKEA image

IKEA is a special company with a very strong corporate identity. The company has been very successful in making sense of it and creating its own culture. Ingvar Camprad has from the company’s establishment moment been working to build up its unique identity and image.

While the identity is the IKEA’s members’ view of their company, the image is how the others perceive the company.

IKEA has started its business in Sweden and therefore its identity is primarily reflected by “Swedish-ness”. The company has as well laid a big importance on having a true sense of it and its business; to maintain and run carefully its identity as well as its parts such as vision, mission, corporate culture. IKEA has gone even longer in establishing its identity, in some way to the extreme because the company talks about its “soul” an own “traditions” and explicitly tries to manage its member’s through a shared “corporate culture”.

There is more or less a correspondence between IKEA’s identity (I) and image (Im), since the company has been on the market for such a long time (at least in Sweden) and becomes more and more successful. That means that the customers do not feel dissatisfied in their expectations of the company and the real company mostly is the same as the customers’ picture of it.

Of course, the company searches to manage its image in a desirable way. In many aspects IKEA is a company that consciously displays and exploits symbols, both internally and publicity. It is also remarkable how the company uses the national identity, its history and national origin, the “Swedish-ness”. It helps the company to differentiate and create a special image, as well in Sweden as on the international markets.

When evaluating the field data it becomes obvious that the company makes huge investments in its promotion and publicity. However, it becomes more difficult on the international arena to keep and control its image.

When only looking on the IKEA image of Swedish people it is clear that the company has a positive image and moreover can be regarded as a number one
furniture company in peoples’ minds. Also the focus group members from the field study portray IKEA as different from other companies on certain aspects.

5.2 An analysis with help of brand identity prism

Here I will apply the brand identity prism to analyse the IKEA name as a “brand” in order to get a better picture of how consumers perceive the company.

1. Physique: The symbol of IKEA is a yellow-blue label designed in the same way as the Swedish flag. IKEA is traditionally designed in these colours; the stores, stuff uniform, ads i.e., to express its origin and “soul”. By comparison, it does not change its physical attributes, between Sweden and Russia.

2. Personality: IKEA has a very strong personality that in many parts is inherited from its grounder and spokesman, Ingvar Kamprad. The company searches to translate and maintain its personality from the Swedish market, were it and it its history are well known, to others markets.

3. Culture: IKEA has partly a culture of its country of origin so called “Swedish-ness” as well as its own strong corporate culture and the “family approach”, the “We-ness “ of the company. The field data shows that the friendliness and politeness is embedded in the culture of IKEA and in its workers’ behaviour, in Swedish as well as in Russian IKEA. Comments from the field data show that “love of nature” and the usage of natural materials, like wood, reflects IKEA’s roots- its origin from a little village surrounded by the nature of Småland.

4. Relationship: IKEA can be described as long –term oriented and service oriented company. Some examples of its services are restaurants at all IKEA stores, its Internet and post services as well as the friendly and helpful personal that is specially educated. However, some results from the field data show that the company does not have possibility to have a “perfect service” to its customers, since it has a concept of “low prices” and “cost pressing”. The lacks that were mentioned in the interviews are for instance: lack of personal in the stores, the difficulties with self-construction of the furniture…
By comparison the Swedish consumers are not so worried about the self-construction of the furniture, while the Russian consumers are often finding it more difficult and annoying, as I could see from the focus group answers.

5. Reflection: Almost all discussants in the interviews, which are IKEA customers, reflected IKEA and its products as fitting their lifestyle. It depended on IKEA’s big assortment of products for each taste, as well as that the products are “anonymous and not sticking out”. IKEA products were also described as “youthful” and “modern”. As I noted from the field data the target group of IKEA can be described as “wide public, except the rich”.

There are some differences in the Swedish and Russian peoples’ reflection of IKEA: the Swedish customers have a picture of the company as “a low price company, with simple functional products”, while many Russian people described its products as “modern, innovative with Swedish design and good quality”. That means that for the majority of Swedish people (according to the filed data) the owning of IKEA furniture means to be usual, “not sticking out” not being “something special” since the usage of IKEA furniture is so common in the wide public. Whereas for many Russian people IKEA is associated with something new: modernity, interesting design, in some way even with something glamorous. It is rather prestigious than common for the majority, to have IKEA furniture in Russia, however it is not the same for the rich people.

6. Self – image: According to my field study the younger people are more common associating their own image with their IKEA image both in Sweden and in Russia. For older people it is more important with the functionality and usefulness of the products, than how “cool” they feel possessing IKEA furniture. But despite of IKEA having an accent on very low prices, their products are not perceived as “bad” or not popular, because both Swedish and Russian consumers are buying its products even when they are able to buy more expensive furniture. Therefore, it can be assumed that the company creates the consumer a positive and desirable image of him-, herself when buying IKEA products.
5.3 The prices and quality, a comparison between Sweden & Russia

Looking at the empirical data I could clearly distinguish the attitude toward prices and quality of IKEA products between Sweden and Russia.

The Swedish consumers have a longer experience in buying the furniture therefore there was a more negative perception of their quality than among the Russian consumers. The people from the focus groups in Sweden were describing the quality as “ok” or “satisfying in regarding to the low prices”, while the Russian consumers were perceiving it as good or even “very good”.

The products’ associations with their country of origin, Sweden, which traditionally is connected with high standards and quality, can also explain the very positive attitude among Russian people towards IKEA products and their quality.

There was a bias about the prices at Russian IKEA in the beginning of its establishment in Russia, since the stores are designed and look in an expensive way. By now, when people have visited the stores they changed their mind and noted that the products are cheap in reality.

The Swedish people regard the IKEA products as cheap, but not extremely cheap.

A tendency is that Russian consumers perceive the products as low priced, despite of having a lower income on average, than in Sweden.

5.4 Differences in the picture of IKEA, Russia-Sweden

As a whole, the company has rather a similar image in Sweden and in Russia.

Of course there are smaller differences such as the price, quality perceptions as well as some differences in its target groups between these countries.

In company’s image changes can also depend on that the Swedish market is its original and established market were the picture of the company has been clear and does not change any longer that much.

On the other hand in Russia the company has been on the market only for five years and that means, its image has been changing a lot during these years. By now IKEA name became quite well known and its image has more or less stabilized in peoples’ minds.
However, people in Russia are not so familiar with the Swedish-ness of IKEA and for many it is just a successful European furniture company, though the company is laying big weight on its origin.

There are as well some distinctions in company’s target groups between these markets; for instance the younger people and students which are big consumers of IKEA furniture in Sweden are not buying so much furniture by themselves in Russia. But the “wide public”: families with children, people with middle-income a. s. o, for which the products are targeted, are mostly the same on the Swedish and Russian markets.

There is too a diversity in” what” people mean when talking about IKEA image. Since in Russia people only buy products in the store they only talk about the stores, when regarding IKEA image. In Sweden the post and Internet services are very common, in opposite to Russia. Also the Swedish people are more familiar with IKEA “culture” and “soul”, whereas for Russians IKEA mostly means just the stores and their interior.

Also, for many Russian consumers IKEA is more an entertainment place, since the IKEA stores in Moscow are situated in big malls, so people often visit the store as a “museum”. While in Sweden almost all people have been to IKEA many times and are more interested in buying some concrete furniture instead of just spending their spare time there.

5.5 A company’s image across borders – tools for maintaining it

The company tries to maintain its” Swedish-ness “ and corporate identity in Russia, the stores are designed in Swedish yellow- blue colours, and the restaurants serve IKEA ‘s national food, also product range is almost the same as for Sweden. It is remarkable that products in Russian IKEA (according to my observations) are named with their Swedish names and not translated into Russian.

Even though the personal at Russian IKEA are Russians, they are trained the IKEA culture and norms, the “equality approach” and “friendliness”. For instance, the managers at IKEA Khimki in Moscow are educated in Sweden to improve their skills and make them more familiar with the “IKEA world”.

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It is obvious through my direct observation and the IKEA Khimki manager’s comments that the company makes many local adaptations. There are different promotion strategies, another ads are used for Russia, than for Sweden, but still they have the same “style” and the well-known, blue-yellow IKEA symbol, so the people everywhere can easily recognize that is IKEA. There are also special services that IKEA provides in its stores in Russia such as: the assistance with constructing the furniture, since the people are not so used to do it by themselves, the free buses to the stores, as many people do not own their own cars.

The stores in Moscow are located very convenient, near shopping moles, that makes them more visited and the people can go there more often. It is important, because according to the field data, people usually buy smaller items during their visits and not just go to IKEA once, to buy furniture for the whole apartment, as they do in Sweden.

When looking at the restaurants at IKEA store in Moscow, I noted that the prices are cheaper than in the Swedish IKEA restaurants. That can depend on, that the company adapts the prices according to the people’s paying ability in different countries. The same may concern the furniture, but I did not have possibility to make a comparison.

The company seizes on a long-term orientation on the Russian market, that becomes apparent when looking at its stores, services, the education of its personal i.e. The company does not just aim the high profits, they search to maintain its positive image to compete successful on their new market.

Of course it is not possible for a company to have and maintain exactly the same image on two relatively different markets, but it is not the intention, since the image is how the consumers perceive the company. So the aim is not to have the “same” image on all markets, but rather that the picture of the company’s remains positive in whole and makes the people willing to purchase its products at IKEA.
6. CONCLUSION

This chapter presents the conclusions based on the analysis, and gives answers to my problem frame. Recommendations for IKEA as well as my own reflections and criticisms are included in this chapter. The chapter ends with suggestions for further research in this field.

6.1 Result and recommendations

After studying the changes of IKEA image, as well as tools for managing it between Sweden and Russia in over two months, I have gotten a picture of my purpose and came to these general conclusions:

Do there exist changes in a company’s image between two countries?
Since the research company was IKEA and the investigated countries, Sweden and Russia, I represent results for this company and these countries.

The company mostly maintains the same image on the Russian market as in Sweden, keeps its “origin” and “uniqueness”, so it does not become just a big international corporation with the focus on profits.

However, there exist some smaller diversities in consumers’ image of the company between these countries, such as the perception of quality and price as well as the attitude towards IKEA products. For instance, in Sweden the IKEA furniture is perceived as more usual and simple, while in Russia it has a degree of innovation and glamour.

Since IKEA is rather a new company on the Russian market, its image has been changing during the years after its establishment. By now, people became more familiar with it. The company became more known and recognizable and that changed peoples’ picture of the company, from regarding its products as
something expensive and unusual to the more functionalistic and simple view on
them. People became aware of the company’s niche and its “orientation” on low
prices, so the bias about it gradually disappeared. By now the image of IKEA in
Russia has come closer to its “Swedish” image.

There is also some diversity in the company’s target groups: more families and
couples and less young people (students) make purchases at IKEA in Russia, than
in Sweden. Concerning the rich people, both in Sweden and Russia they mostly
prefer more expensive furniture.

“What” people buy at Russian respective Swedish IKEA differs too. In Russia the
consumers have a tendency to visit the store more frequently and buy smaller
things, they perceive the store more as an entertainment place. In Sweden the
consumers go to the store when they need to make bigger purchases, since the
majority of the people have been to IKEA many times do not perceive it as
something “innovative”.

On the other hand the differences in the company’s image and its different target
groups do not affect the “positive-ness” of the image as a whole and thus the
company’s success and the amount of consumers visiting it, since it has success as
well in Sweden as in Russia.

How does a company deal with its changed image?

The long-term orientation on the Russian market helps the company to build up a
desirable and positive image among consumers. The company is keeping its image,
personality and maintaining its Swedish symbolic on the Russian market.

It is obvious that the company invests a lot in its marketing and promotion in
Russia, according to my observations in Moscow.

IKEA searches to keep a balance between local adaptation and keeping its
uniqueness and identity. There are several tools and services that the company
developed especially for Russia, such as free buses to the store, furniture-
constructing service i.e.

As the marketing manager Anton commented; the company does not aim to control
or change its image with intention, thus the consumers will form it on their own. So
the company just needs to guide its image carefully and see that it remains positive
and not changes in an undesirable way.
6.2 Reflection and criticism

Through the made delimitations of my study it is in some extent not possible to draw general conclusions and perceive the focus group members as the whole consumer amount of IKEA.

However there answers and comments gave a good picture of their view on IKEA and there were some common tendencies in their responds, from which I drew general conclusions about the company’s perception in Sweden and in Russia.

When doing the interview with IKEA representatives, I would also liked to interview a person on a higher post, in order to get more covering answers on my questions. But I did not have possibility for that, because it showed to be difficult to get access to these representatives. The lack of time was also an important factor for this limitation.

Additionally, there is no unambiguous answer on “how” exactly the image of IKEA changes between Russia and Sweden, only some factors are visible but they cannot represent the” whole” image.

It is also obvious that the IKEA Company differs a lot from any other company, and therefore the results would not be the same for an investigation on other companies.

6.3 Suggestion for further research

The Russian market is a very diverse and interesting market for further research on image for IKEA as well as for any other international company. Moreover, IKEA plans to expand more its business in Russia and it will be interesting to do further investigations on how its image is changing and how the company adapts to the changes.

It is of a big interest to take in accountancy the cultural and historical aspects in Sweden and Russia, since they affect too a lot, how the consumers perceive the company.

For instance in Russia there was a lack of European furniture before, so the people, especially when the store just opened in Russia, went there like to a “museum”.

It is as well of an interest to make an evaluation over time on this field, to see how IKEA expands to another Russian cities and how the company image changes over time. Maybe, after a period it stops changing and stabilises like it did in Sweden,
since the company has been on the market for such a long time. So the company just needs to maintain it and keep under control. However, the living conditions are changing in Russia, people look for simple and useful furniture fitting to their small flats. On my mind the IKEA business will remain successful and also develop more on this market.
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APPENDIX

Attachment 1,

Topics and questions discussed within the focus groups

1. What do you firstly think of when you hear the company name IKEA?
   a) What association does the company name cause?
2. What is your image of that company in general?
   a) Which words could be used for describing the image of this company?
1. Are you aware of the company’s vision, company concept?
   a) How does it sound?
4. Do you buy the IKEA furniture and accessories yourself?
5. Do you feel that the IKEA products fit your lifestyle, personality?
6. How do you perceive the prices at IKEA stores?
7. How is the quality of IKEA products according to you?
8. What is your opinion about the IKEA furniture in common?
9. What is your opinion about the IKEA approach to let the consumers construct the furniture by themselves?
   a) What is your personal experience of building IKEA furniture?
10. Do you recognize the company as a flourishing business?
11. Do you find any lacks in IKEA’s image?
12. Which is / are the company’s target group/s, segments on your mind for instance; students, Dinkies (people with double income and no children), families with children, rich people, older people, or some others?
13. Do you think the image of the company will change over time in your country?
14. In what way would it change according to you?
Attachment 2,

The figure of IKEA divisions