

Consumer attitudes and behavior towards ikea



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1. Introduction:

IKEA is one of the main home furnishing chains in the world and especially in Malaysia. As IKEA originated in Sweden and have a strong position here it is motivating to study the consumers' attitudes toward the company in Kuala Lumpur, Malaysia. IKEA companies have information about their customers' opinions, attitudes and behavior . They will have the greater effect in comparison to their competitors.

To analyze the attitudes to IKEA I prepared a questionnaire in Kuala Lumpur. The respondents are chosen randomly between Iranian people, after an overview the paper designed the methodology part, its describes how the proses have been done. The chapter explains the hypothetical framework, which absolutely contracts with attitudes.

In the analysis chapter each question in the questionnaire is offered and explained separately. The study is then used to make decisions.

Some of the decisions ended were:

Ikea's main target group is well-represented customers nowadays.

IKEA have very strong position in the home furnishing market.

The price and product kind is the key reasons for purchasing at IKEA .

“ A Better Everyday Life” -

Organization:

VISION: Ikea's vision is to create attractively home furnishings to a great customer segment, if you noticed to other main furniture stores; good design is offered only for a small part of the people who can have enough money. It means that IKEA have to answer to the home furnishing requirements of people all over the World Ikea's strategy: People have different needs and wants, ideas, aims; all these people need to design their home and provide a beautiful environment in which to enjoy. In selection a better everyday life, IKEA suggestions an extensive choice of home furnishings in IKEA stores.

IKEA is well branded worldwide. Their product variety (18 000 products) is almost similar in All countries. This indicates that IKEA have a global product strategy that is extremely standardized. Ikea's marketing concept is " Low price with meaning". When introduction of IKEA in Porters 3 Basic Strategies, IKEA enter by directing on low prices. The main target group is young families who build up their first home. But all customers who think through price as an important argument when purchasing home furnishings are an important target group. Consumers within the organization feel to clearly knowing the I Keas' purpose. It is also important that they need a strong sense of fitting. The characteristics of the company must spring from the own origins. IKEA have undoubtedly been able to use their origins.

1. 2. History

1943 the creator of IKEA, Ingvar Kamprad, records the name IKEA.

1950 was the first time furniture's go into the IKEA product collection.

In 1951 the first IKEA list was issued. First furniture showroom was opened in 1953 in Älmhult, Sweden. 1955 was the year IKEA brings into being to design its own furniture. The first IKEA store opens in Älmhult, Sweden in 1958. In 1963 IKEA opens a store in Norway. The store in Stockholm, inspired by the Guggenheim Museum in New York, opens in 1965.

3. Vision:

Was self-service, open warehouse would help customers cut down on Waiting time. 1969-1996 Stores were opened in: Denmark, Germany, Australia, Canada, Austria, Singapore, Netherlands, the Canary Islands, France, Iceland, Saudi Arabia, Belgium, Kuwait, USA, UK, Hong Kong, Italy, Hungary, Poland, the Czech Republic, the United Arab Emirates, Mallorca, Slovakia, Taiwan, Finland, Malaysia and Spain.

1. 4. The purpose:

Is that the home furnishings are associating good design, good purpose and good quality with low prices so that as many people as possible can pay for them.

IKEA sold their World Wide Living Room Web Site on the Internet. In 1998 the first IKEA store was opened in mainland China.

Literature review:

Analysing consumer behaviour is perceived as cornerstone of a successful marketing strategy (Papers4you. com, 2006). Consumer behaviour is ' the mental and emotional processes and the observable behaviour of consumers during searching purchasing and post consumption of a product and service (Batra & Kazmi, 2004). Similarly Engel (et al, 1990) refers consumer

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behaviour as the action and decision process of people who purchase goods and services for personal consumption.

WHAT IS CONSUMER BEHAVIOUR?

It is necessary to understand consumer behavior; this is based on the activities leading to the acquisition and use of goods or services, including decision-making processes that determine a purchase. In this process the consumer performs actions such as search, purchase, use and evaluation of products expected to be used to meet their needs (Solomon Michael, 2007).

The activities, processes and social relations to which reference has been made include various actions of the consumer: knowledge of a need, when you make a comparison between stores, the simple reasoning of information that are available in regard to the benefits and risks of the desired product, or seek advice from a friend about a new product. The purchase of a product includes experiences such as mental and physical stimulation, social changes, the more status and power. (Kollat David).

Attitude has a significant effect on purchasing a brand and choosing the place for shopping, moreover new products emerge in the market or exiting products future demand can be predicated by measuring consumers attitude.(Blackwell et al, 2001).

Method

Approach

The ways to pay attention to different situations vary due to several factors. There are numerous different methods of looking at the same phenomenon.

My perception of this paper is mostly unbiased by the facts that I am a business

Management student with put emphasis on marketing and I have a great attention in internal design. People have different methods to set situations due to attitude to behavior and individual norms. Past experiences and demographics also create a difference in approach. In making I have tried to be as unbiased as possible when studying collected material. It is important to mention that it is difficult to be one hundred percent neutral and without bias. What is understood depends on who understands it and what is to be understood.

3. 2 Method:

As we know market research is only one type of marketing research. The resolution is to make the study standardized. This is able by giving the same

Questions and answer to all respondents. There is no warranty that the information collected from the questionnaire is relevant to the case recognition. I have selected to use very short questions to insure that they would be easy to

Understand and to decrease the risk of misunderstanding. When dealing with short questions the Respondents have to think noticeably and ignore redundant parts. The information I needed was collected by using a quantitative method and questionnaire. After gaining the information, I used SPSS statistic 17. 0 for analyze my data.

3. 3 The questionnaire:

One of the most important points in this plan has been designing the questionnaire. I have chosen to use short question that would be easy to understand. The price of creating a questionnaire is half of what a phone discussion costs and a tenth of the cost of an individual interview³³ I have chosen close questions because I want to consider the population in general terms.

It makes it easier to create a general picture of the respondents' opinions I designed 6 questions for 50 respondents

3. 4 Conformation of population:

The population in my case is IKEAs' Iranian customers in Kuala Lumpur. It is hard to find out, how many Iranian customers of IKEA has in Kuala Lumpur, and then it is quite unmanageable to know how many times each customer visit to the store.

3. 5 Method of selection:

I chose to use the non-probability selection (quota selection).

This method is versus the random sample.

The sub-group that I have been selected is:

Age

Average income

Educational level

Gender

Theory

4. 1 Consumer Behavior:

Consumer behavior is one of the main parts in marketing; there are many different ideas about it. The basic principal of marketing are needs and wants, these two factors make the process of buying decision. One of the most popular theories is the Consumer Decision. My study emphasizes on the attitudes and behavior before the buy, what defines the buy and not the actual buy? Companies succeed if and when considerate what consumers want. This of course makes them very interested in how to effect on consumer behavior. The process of the buy is as important. Consumer behavior is included to: Consumer expectation, store image, needs, wants, culture, age, education, income level.

4. 2 Marketing Mix:

The marketing mix is the base of marketing tools a company practices to chase its marketing Goals in the target market. The most popular way to consider the marketing mix is over the eyes of the supplier. The 4Ps: Product, Price, Place and Promotion. When considering the marketing mix from the buyer's opinion you catch the 4Cs: Customer needs and wants, Cost to the customer, Convenience and Communication. The companies that can meet the 4Cs will be winners. By a multifaceted contact between the individual and environmental factors and the marketing mix the consumer estimate the stimuli. When taking done the process the consumers have got a conclusion about the product or service. If the decision is positive it does not mean that the consumer really will purchase the product or service. It is <https://assignbuster.com/consumer-attitudes-and-behavior-towards-ikea/>

one thing to consider about doing something. Truly doing it is a much bigger stage. Attitudes designed directly are showed to be steadier than indirect formed attitudes like questionnaires. Finally it is meaning that defines what behavior the consumer will selected there are many factors that control the consumer behavior process. Many of these are fairly difficult to influence for a marketer. They have to focus more on the factors they can affect. The most vital factor one can use to influence is perception. The motivation that information gives is there for the factor that initiates the process that tends to the consumer's decision.

4. 3 Buying behavior:

There are many main aspects that effect on a consumer's purchasing behavior:

Culture

Social

Personal

Psychological

Depending on the kind of product a buyer wants to purchase the buying behavior differs. Costly, complex products that a customer does not purchase often calls for high involvement decisions. The customer looks for information about the Low involvement decisions or unchanging problem resolving follow a somewhat different purchasing design. The consumer knows what he/she want and do not gauge different changes IKEA emphasizes a lot on trying to impact customers when the turn through the store. This is <https://assignbuster.com/consumer-attitudes-and-behavior-towards-ikea/>

ended by setting products with very competitive prices at tactical spaces in the store

4. 4 Attitudes:

This cause is one of the most motivating and vital factors for marketers. Attitudes to a company make a company image. Therefore, a strong company image offers good business. The Attitude is often supposed to reproduce a person's deep values; it means that the attitudes are used as an evaluative tool. We weigh products, people, and events and so forth by using our involvements and attitudes the first parts of the consumer behavior process is the base that leads to the consumer's final decision-making. So one realizes why it is of importance for the companies to study about the consumers attitudes.

5. Survey

In the text below I will consider each question in questionnaire separately to evaluate the Respondents answers. The questionnaire is bounded in the end of this paper.

5. 1 Demographic Variables:

To conclusion and analyze the respondents attitudes one need to select related

Demographic variables. I have therefor used age, income and geographic area,

And gender as variables, I follow them to be related and exciting in my study. The demographic variable was offered first in the questionnaire.

5. 1. 1 Gender:

The consumer behavior and attitudes vary among the sexes. Usually women have a more attention to home furnishing compare to men. In my survey 40 percent of the respondents were men and 60 percent women. It is a good proportion

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5. 1. 2 Acceptation:

The buying behavior and attitudes differ between the occupations. In my survey students were in majority compare to others.

Student Dr. Secretary lecturer house hold

60% 8% 4% 4% 24%

Obviously, international students have limited budget for buy, especially furniture.

5. 1. 3 Age:

The respondents' age, always, impact what kind of home furnishing they need.

Young people are launching their first home

0-15 16-30 31-40 41-5

4% 24% 48% 24%

Age 31-40 is over-represented and 0-15 is under re -presented . 0-15 years old do not have their own money to buy. The most important target group for IKEA among Iranian is 31-40 years old.

5. 1. 4 Marriage:

In my survey, 28% of respondents were single, 72% were married. This is a good proportion. People who married, they are more interesting to furnish the house compare to singles.

Single married

28% 72%

Number of children:

0 1 2 3

40% 12% 20% 12%

6. SURVEY QUESTION

6. 1 QUESTION ONE:

I am in IKEA (timely/y) 1-2 3-5

56% 44

There is no any reason for other times; it means respondents never go to IKEA more than 5 times a year. According to analysis 56% of respondents go to IKEA1-2 times a year.

6. 2 QUESTION TWO:

What the respondents have bought at IKEA during the past five years?

Bed couch kitchen bookshelf kitchen appliances

36% 24% 12% 16% 12%

6.3 QUESTION THREE AND FOUR:

According to IKEA's position in the market, the question is:

Where do they buy most of their furniture?

Which company has the best quality?

100 percent of respondents answered were (IKEA), IKEA's strategic plan (high quality, low price, good service) is making the consumers loyal to the company and it seems that the IKEA is successful.

6.4 QUESTION FIVE:

I wanted to know how different aspects of IKEA were graded (1-5)

Product quality:

Very good Good Ok Not so good

40% 28% 28% 4%

Product quality compared to price:

Very good Good Ok Not so good

56% 36% 8% 0%

The store location:

Very good Good Ok Not so good

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8% 8% 36% 44%

Disposition of the store:

Very good Good Ok Not so good

12% 40% 48% 0%

Service:

Very good Good Ok Not so good

48% 40% 12% 0%

Payment method:

Very good good ok not so good

20% 68% 12% 0%

7. RECOMMENDATION:

According to result of survey:

100% of respondents chose IKEA for satisfying their needs of furniture instead of LUZINI, EMPIRE, and HOME'S HARMONY.

IKEA's target market could be women (60%), student(60%), between age31-40(48%), married(72%), who visit IKEA 1-2 times a year(56%), they bought bed(36%)and couch (24%).

Respondent's believes that IKEA's product quality compare to price, is very good (56%) and good (36%).

IKEA location for (44%) is not so good and for (36%) is ok.

IKEA's service for (48%) is very good and for (40%) is good.

Around (68%) of respondents are satisfy about payment system.

IKEA's furniture is more familiar between Iranian who is resident in Malaysia.

Majority of respondents are satisfy about price and quality of IKEA's furniture because they are student and have a limited budget for purchasing household items. As Iranians are influenced by peer group, they are not looking for other brands such as LUZINI, HOME'S HARMONY...

The other reason that IKEA's furniture is well-known between Iranian is excellent IKEA's advertising.

Price, quality, advertising, innovation in producing new product, are the basic points to attract positive attitude toward IKEA's furniture.

IKEA adopted its products to global market.

8. Conclusion

In this part, it is obvious that many of Iranian people know very well IKEA products and also they included to middle consumer income group.

Understanding, what different consumers purchase is the basic information and very interesting for IKEA.

IKEA, recently has improved the rang of its products, especially in terms of furniture with approximately the same price.

The majority of IKEA's consumers between Iranian are student with limited budget.

I think Iranian people who staying in kuala Lumpur, are not familiar with another brands as much as IKEA. They introduce IKEA to each other based on their past experience and friendly recommendation.

These consumers are interested when encouraged to buy more expensive products and have to think about it.

IKEA advertisement for Iranian is very interesting, and consumers from low - income areas tend to buy more from IKEA.

Since the price is low, the quality is high and everyday innovation in IKEA's products is obvious.

IKEA gives the new idea to consumers who do not know which products they need for their house.

IKEA's product attracts consumers with its innovation and considering consumers' expectations.

It is understandable that IKEA pays more attention to its consumers, their needs, wants, expectations, images, and culture.

Different age, job, purchasing power, culture, attitudes, and habits need different marketing, setting price, quality, and store location because these factors obviously influence the consumers.

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