

# Kea catalog case study

[Business](#)



The company is the world's largest furniture retailer. In 1951, the company published the first KEA catalog and in 1956, they created their own pieces of furniture in kit. In 2010, the KEA catalogue was printed in more than 197 million copies in 29 languages and 61 editions.

KEA is named as an acronym comprising the initials of the founder's name (Angina Kampala), the farm where he grew up (Elementary), and his home parish (Quandary, in SMS? land, South Sweden).

KEA logo represents the colors of the Swedish flag. The first KEA was inaugurated in Sweden in 1958. Actually, KEA is present in 41 countries with more than 127,000 co-workers (103,500 only for Europe).

And the annual sales has grown to more 50% between 2000 and 2010. Here we can see the various categories and sub-categories of the KEA products, they use category extension: KEA has one brand level and uses Umbrella brand strategy.

Umbrella brands are brand names that are utilized by a range of different but related products. The idea behind this type of approach is to enhance the marketability of all the products that carry the same name brand, thus building an increased rapport with consumers. Because of this higher level of rapport, KEA can introduce new products that are related to the existing product lines, and immediately attract the attention of customers who routinely use other products sold under the KEA brand. The brand identity of KEA can be summed up by: Brand Exploratory: Consumer Mind Map: PRICE SERVICE Cheap Prices

Good Quality QUALITY Satisfying Quality VARIETY DESIGN High quality of design Good quality/price ratio Brand association: KEA has made only one alliance in 2004 with Stout Powder Coating (KEA metal furniture suppliers in Europe).

Positioning: KEA is the only brand which offers cheap, well made, well designed furniture the most to young and design oriented people. KEA does this by offering a wide range of self-assembled kits. The main competitors are: Lain©a, BAH, small furniture shops and the second hand market. POP VS...

POD: \* Points of Parity: Reasonable Price, Kits, Practical Uses \* Points of Difference: Good Quality (Swedish Notoriety), Design, Environmentally Friendly, Wide Range SOOT: Brand Equity: According to a survey , 86% of polled have answer that they buy their furniture at KEA stores. The strategic values of brand awareness are the low price, the fact that they offer all furniture for home and the sustainable development. To achieve its brand awareness, KEA uses advertising (TV commercials, Catalogues, Radio, Billboards, etc... , low prices and the slogan “ Design your own life”.

Brands Loyalty: According to the same survey, KEA has a strong brand loyalty. Indeed, consumers said that they go to KEA stores almost once per year. In this survey, people were asking to grade KEA in function of various criteria such as the price, the design, etc... We can notice that almost 50% of polled are grading the price between 8 and 10 over 10.

So we can see the importance of the price in the purchase act and the consumers' satisfaction.

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Strategic Value and enhancing of KEA : \* Attracting new customer : facilitate the access of store with special bus , delivery at home , creation of Kike's restaurant and a nursery \* Provide extras : Give a paper pen and rulers

Channel distribution: one huge store in each big city Perceived quality: \* Middle range products \* Leading product: Furniture for home \* Brand famous for its kit products \* Furniture in kit \* Cheaper products \* Modern and young people

Competitive advantage: \* Cheaper price \* Big store with all furniture we need

Keller CUBE pyramid: - Sense of engagement - Beneficial attachment - A huge credibility due to advices for - Feel like home space - Have fun - Good quality-price ratio - Young family - Easy to assemble

Student Sweden products in .....

Kit - Furniture's maker - Home decoration

Recommendations: Thanks to this brand audit, we have notice that KEA has a strong brand and a huge range of products. This way of managing the brand brings to KEA a strong success. However, KEA should consider strategies to develop further its presence in the Asian, Australian and Middle East markets where only 6% of its sales were generated from this region. We also recommends to KEA to focus on the Points of Parity. Indeed, they have to keep in focus the low price, the kits and the practical uses.

More than that, KEA has to plays on the " Swedish Quality' and open its target to the older customers. Finally, KEA should offer more customization to the customers. In addition to the brand audit, we had notice during our visit to the Delft's KEA that they create a real marketing concept. Indeed, KEA offers a playground for the children to occupy them while the parents

are buying furniture. They also offer restaurant service because most of KEA customers come from far. KEA has a huge customer catchments area.

They also have Swedish food store to allow customers to buy some Swedish product before living. Finally, we notice that when you go to KEA you have to follow a specific way to be sure that the consumer visits the entire store.