

Marketing and ikea assignment

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**ASSIGN
BUSTER**

Is a well-known global brand that provides high-quality furniture at a low cost. Currently there are outlets in 37 countries all over the world and KEA is continuing to expand. As the company expands they must adapt to culture-specific needs while at the same time continuing to be loyal to their original concept. KEA has strong relationship with suppliers which help them to be cost leader In the furniture industry as well as a strong social and environmental policy.

Their image of quality and affordability is an asset and their unique decision to go to flat packs provided portability and greater storage capacity. KEA has weaknesses greatest of which is a resistance to change. They also lack transparency between divisions, have high staff turnover, and have difficulty forecasting demand. They have opportunities in the trends toward streamlined customs, increases in e-commerce, popularity of franchising and the current popularity of minimalist styles.

The threats come from strong competition from superstores, government regulations and, because of their snail like pace of change, advances in technology and dramatic style changes pose large threats. Furniture Industry Trends 1. 1. As the world economy is developing fast in the past 10 years, the furniture markets have opened up more and the world furniture industry has been growing fast. Furniture industry has changed over the years.

It no longer restricts itself to a production of a chair or a table or a bed but today it includes manufacturing of a range of furniture and home furnishings and designed interiors which spell class and elegance. Every country sports a string of furniture showrooms of all kinds and sizes. Changing lifestyle,

disposable incomes, economy growth, increasing migration o urban areas have all contributed to the demand for furniture and in turn the growth of the furniture industry as whole.

Furniture industry comprises not only the production of a wide range of products related to office, living room, bedroom, kitchen , garden, school furniture but also mattresses, furnishings, upholstery, parts of furniture etc. A wide variety of raw materials are used in production of furniture like wood, rattan, plastic and metal and more recently silver. Including various varieties of wood, wooden furniture is the major production and exports of the furniture industry in almost every country. Over 70% of the global market has been taken up by the traditional furniture making countries.

This is possible because of their long established production capacity, advancement in science and technology, solid funds and rich management experiences. Meanwhile, developing countries and regions like China, Southeast Asia, Poland and Mexico, with China taking the lead, have built upon their respective competitive advantages and gradually have covered almost 30% of the world market. The furniture industry in such countries is developing strongly and showing great potentials. The European Union furniture industry accounts for about half of the oral's furniture production.