

## BrandSensitize™ - Brand Review, Research Desk

## Assembling Affordable Dreams: The IKEA Way to a Better Everyday Life

IKEA reported retail sales of €45.1 billion in fiscal year 2024 (ending August 31, 2024). The company employs around 216,000 associates worldwide as of 2024, supporting operations across 483 stores in 63 countries.

IKEA's brand philosophy emphasizes convenience and ready-to-assemble design, aiming to make daily life easier and more manageable. Rooted in principles of affordability, functionality, and innovation, IKEA is known for offering a wide selection of home furnishings at budget-friendly prices. IKEA transforms everyday spaces into sources of inspiration and empowerment, fostering emotional connections that go beyond products to represent a global lifestyle rooted in accessibility, sustainability, and happiness.

Beyond purchasing, cafes, kid zones, and innovative apps, such as AR tools, help strengthen the brand image and enable customers to connect with IKEA's unique features. IKEA monitors perceptions through digital surveys, loyalty programs, online channels, and feedback from frontline employees to improve production, better understand customer needs, enhance operational excellence, and develop more innovative store layouts.

The fusion of innovation, affordability, and community focus makes IKEA a distinctly trusted and beloved global lifestyle brand.

IKEA manages its brand by weaving a consistent "affordable, functional, Swedish" promise through every touch-point while constantly updating the tools it uses to deliver that promise.

- Consistent global identity.
- Blue-and-yellow visuals, Scandinavian product names, meatballs, and playful tone create instant recognition online and off-line.
- A single brand vision ("better everyday life for the many") unites thousands of co-workers and independent franchisees worldwide.
- Value built into the product concept.
- Flat-pack design, DIY assembly, and supply-chain scale keep prices low without sacrificing style, reinforcing the core affordability message.
- Immersive inspiration at every visit.



- Maze-like showrooms staged "mock rooms," and cafès turn shopping into an aspirational day out and boost impulse purchases.
- Iconic catalog imagery and room planners place each item in context, helping customers picture possibilities.
- Digital tools that extend the experience.
- AR apps let shoppers "place" furniture at home; AI chatbots and planning assistants offer 24/7 help, keeping the brand top-of-mind beyond the store.
- Rich social content, bold paid ads, and local influencer collaborations maintain a participatory, visually led dialogue with new audiences.
- Community and loyalty programs.
- Local relevance within a global frame.
- Stores adapt layouts, menus, and influencer partnerships to local tastes while preserving core brand codes.

Currently at Ingka IKEA Group, Bryant Noice oversees the technology function, which handles architecture, infrastructure, information security, and non-retail business strategies.

IKEA is effectively utilizing AI to streamline shopping and enhance operations through generative design tools and AR-based planners, helping customers visualize entire spaces. AI chatbots manage service and design questions 24/7. Demand sensing models improve local forecasts and inventory flow, while automation—such as warehouse drones and route optimization—quickens fulfillment and reduces waste.

Additionally, IKEA uses AI to enhance the shopping experience, including apps that allow you to virtually try furniture in your home, smart assistants for quick assistance, and data tools to manage inventory. They also emphasize more eco-friendly products that keep both customers and employees satisfied.

IKEA's scale, innovative design, and global presence deliver affordable home solutions through an efficient supply chain, extensive product selections, and engaging store experiences, all backed by strong brand recognition.

IKEA has also built strong digital channels across both physical stores and online retail.

IKEA partners with major technology companies like Apple and Microsoft on AI and digital projects. They use internal copilots for image creation and idea generation to increase productivity and service quality. Additionally, they collaborate with Google Cloud Analytics and Google Maps Platform to improve store



locators, provide local inventory visibility, and enhance the customer experience through data-driven insights.

BrandSensitize™ findings reveal that IKEA strikes a balance between global consistency and local relevance, captivating customers through immersive experiences and straightforward storytelling, while continually innovating with digital tools to make everyday homes more innovative, accessible, and sustainable.