

Portfolio

Research in Customer Journey



The image shows the exterior of an IKEA store. The word "IKEA" is displayed in large, bright yellow, three-dimensional block letters mounted on a blue, vertically-slatted wall. The letters are slightly shadowed, giving them a 3D appearance. Below the letters, there are some white light fixtures and a small white box.



Table of Contents

I.	Analysis of the company (IKEA)	3
1.	The logo.....	3
2.	Stores, website and application	4
3.	Social media.....	4
4.	Tone of voice	5
5.	Promise	6
6.	Vision, mission, values	6
II.	Objective of the customer journey.....	6
III.	Focus of the Customer Journey- Purchase and Loyalty	7
IV.	The Interview.....	7
1.	Substantiation for the selection of the target group.....	7
2.	Sampling.....	7
3.	Validity and reliability of the research	7
4.	Interview guide.....	8
5.	Joint transcript.....	9
V.	Mapping of the Customer Journey	23
VI.	Empathy Map	24
VII.	Persona	25
VIII.	Emotional curve map	28
IX.	Solution ideas	29
X.	The A+ Concept	33
XI.	Storyboard.....	36
XII.	Prototype.....	41
XIII.	Improvement based on feedback.....	52
	Appendix 1	54
	Appendix 2	55

I. Analysis of the company (IKEA)

The client for our customer journey is IKEA. A Swedish privately owned company that sells furniture. A brand well-known across the world and with a big share of the market. They believe in making products with a beautiful design, good functions, that are sustainable, of good quality and available at a low price (IKEA Vision & Business Concept). With 433 Ikea stores in 53 countries and 2019 global retail sales of about \$45.5 billion, everybody has an IKEA story.

1. The logo

The brand identity also includes the tangible elements of the brand. One of the most recognizable aspects of IKEA is its logo. The blue and yellow IKEA logo is the symbol for instant recognition of the IKEA Brand. They also enhance their uniqueness and Swedish heritage. The IKEA Brand blue color creates attention to the offer, thereby making it stand out. The IKEA Brand yellow, on the other hand, is an optimistic color giving customers a positive impression when meeting the IKEA Brand, everywhere, anytime (The IKEA logo - history and design).

The name of the company is also symbolic. The word 'IKEA' is an acronym that celebrates our Swedish heritage. I stands for Ingvar, the first name of the IKEA founder. K is for Kamprad, his last name. E is for Elmtaryd, the name of the farm where Ingvar grew up, and A is for Agunnaryd, the name of the parish in Småland, Ingvar's home village (The IKEA logo - history and design).



2. Stores, website and application

Currently, IKEA has 458 stores worldwide. In the Netherlands, there are 13 brick-and-mortar stores. The biggest one being in Delft. In the stores, there are different facilities, such as parking, daycare and a restaurant. Many people consider the meatballs of IKEA to be iconic for the brand.

The website of IKEA is minimalistic, corresponding to the concept of the company. There is a specific website for each country, usually offered in the respective language.

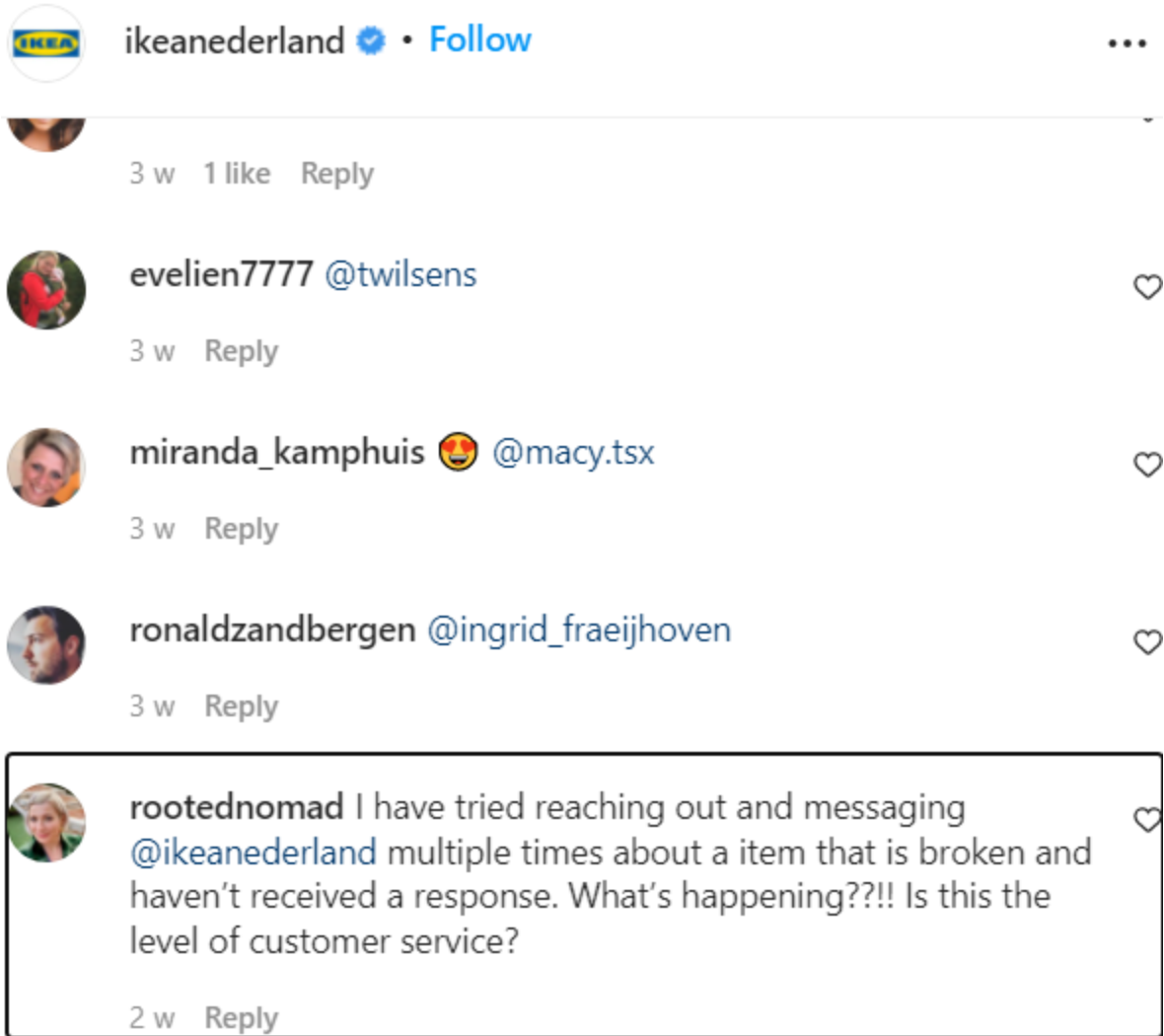
The IKEA app is available on both IOS and Android. The features of the app include product recommendations, ratings, and reviews, along with easier searching and browsing experience.

3. Social media

Despite having an omnichannel strategy with bigger accounts on the most popular social media platforms and smaller accounts for each country, IKEA struggles with sustaining a good brand image with many unflattering comments under each of its posts on all social media.

The screenshot shows the IKEA Facebook page interface. At the top, there is a navigation bar with the IKEA logo, a 'Send Message' button, a 'Like' button, a search icon, and a menu icon. Below this is a video post with a thumbnail showing a piece of fabric and a timestamp of 0:08. The video title is 'Een klassieker in een nieuw jasje. Wat stop jij alle...'. It has 42 likes and 10.7K views, posted 3 days ago. To the left of the video post is a 'Page transparency' section with a 'See all' link and a 'Page created - 8 February 2013' indicator. Below that is an 'Add your business to Facebook' section with a 'Create Page' button. On the right side, there is a comment thread. The main post has 74 likes, 19 comments, and 1 share. The comment section is set to 'Most relevant'. A comment from Pieter Goet reads: 'Nice ikea, but when you let them bring something and you have already paid then ikea goes wrong already has its money so when there is a problem your bad luck ikea responded not your email and on the phone they do not want to help . I have been busy since November 11th 2020 and time again ikea makes promises and breaks them'. The IKEA page has replied to this comment: 'Hej Pieter, ik zie dat je ons via Facebook Messenger ook hebt benaderd. Ik heb zojuist je bericht beantwoord 😊 ^Melanie'. There are also options to 'Like', 'Reply', and 'See original (Dutch)' for both the comment and the reply.

Source: Facebook. <https://www.facebook.com/IKEANederland/>



Source: Instagram. <https://www.instagram.com/ikeanederland/>

IKEA further struggles with maintaining a good image online due to a big number of criticizing comments on websites, such as Trustpilot. "It is cheap furniture, and it does not stand the test of time BUT it does what it is supposed to do which is be a placeholder until you can afford better" (Trustpilot, n.d.).

4. Tone of voice

"Make it simple – but keep it smart!

"We avoid words that are fancy and difficult to understand, but we love it if you put a little creative effort into what you write. A bit of humor is always fun, and using stories to make complicated stuff more relatable and easier to understand is also a big plus." (Co-create)

IKEA's tone of voice is simple, pragmatic and down to Earth. The advertisements use everyday language and no terminology (IKEA).

5. Promise

The promise of IKEA is a high-quality product at a low price. Their slogan is 'Let's Make Your Home Special' and was introduced in 2021 along with the release of their new catalogue. Their previous slogan was 'creating a better life for many people' (QuerySprout, 2021). They furthermore have been using a greenwashing technique, making big promises on sustainability but with short-lasting products they haven't fully fulfilled their promise.

6. Vision, mission, values

IKEA has 8 key distinguished brand values. Firstly, it leads by example. It is comprised of "people who 'walk the talk' and lead by example". Another value is togetherness. IKEA believes that it is "strong when they trust each other, pull in the same direction and have fun together." It strives to care for the people and the planet: "We have the possibility to make a significant and lasting impact - today and for the generations to come". Moreover, IKEA wants to implement cost-consciousness: "As many people as possible should be able to afford a beautiful and functional home".

Their identity is marked by simplicity: "A simple, straightforward and down-to-earth way of being". Moreover, IKEA sees themselves as "informal, pragmatic" and is against bureaucracy. Also, it renews and improves "constantly looking for new and better ways forward", as well as "finding solutions to almost impossible challenges". IKEA is different with a meaning: it is not afraid to "question existing solutions, think in unconventional ways, experiment and dare to make mistakes". The last value is to give and take responsibilities, as IKEA finds it as a way "to grow and develop as individuals". (IKEA, n.d.)

IKEA's vision is 'to create a better everyday life for the many people'. (IKEA, n.d.)

The mission it has is 'to offer a wide range of well-designed, functional home furnishing products at prices so low that as many people as possible will be able to afford them'. (IKEA, n.d.)

The brand mantra is a short phrase that captures the essence of the brand (Greyling, 2020). Based on the concluded research, it has been decided that the brand mantra of IKEA is "minimalistic affordable functional everyday furniture". The brand is driven by simplicity and focused on cost-consciousness, which can be found in their values and brand identity. The further aspects of their mantra are defined by their emphasis on functionality which can be discovered in their mission. Finally, the furniture can be described as an everyday one based on the fact that it is simple and not overly sophisticated.

II. Objective of the customer journey

The main objective of the customer journey is to determine what happens between the purchase phase, the retention and loyalty phase. Many of the comments on social media and websites with reviews point out problems with the return shipment, the aftersales department and a lack of certain parts and/or instructions.

By improving this stage of the marketing funnel, IKEA can increase their sales. Increasing customer retention rates by 5% increases profits by 25% to 95%. (Saleh, 2019)

III. Focus of the Customer Journey- Purchase and Loyalty

From the desk research, it was found that IKEA mostly has troubles on Purchase and especially Loyalty levels rather than Awareness and Consideration ones. That is why the decision has been made to focus on these scopes to investigate and solve current problems IKEA may encounter nowadays.

Furthermore, it has been concluded that this research will be limited to the scope of the Netherlands, since it would be more achievable to determine a solution for a country-wide dissatisfactor rather than a worldwide one to achieve an A+ experience.

IV. The Interview

The interview method that is going to be used further is “Semi-structured”. The reason for that is that with such technique it would be easier to compare a few answers to come up with the most frequent response. However, the laddering technique will be applied as well to gain a deeper understanding of the interviewee’s responses.

1. Substantiation for the selection of the target group

Defining a target group is beneficial for narrowing the scope of the customer journey map and making it more precise. Our target group is based on the behavioral segmentation. In other words, the customers are separated into subgroups based on their interaction with the brand. In this case, all of the members of the target group are between the purchase and loyalty phase. They have already made a purchase from IKEA, but are not yet advocates for the company.

Furthermore, the age group is between 20-34, belonging to the middle class. That is due to the fact that this age group is at the beginning of adult life and is therefore looking for more inexpensive furniture as they move into their first homes (Marques, 2021). The gender is irrelevant to our research since the population skews neither female nor male. Finally, only residents of the kingdom of the Netherlands will be interviewed in order to focus on a smaller scale to be able to conduct thorough research.

2. Sampling

The method used for is quota sampling. This method is used by the researchers when they are given a quota of subjects of a specified type to attempt to recruit (Saran, 2018). More specifically, it was sought for females and males aged 20-34 that have recently made a purchase in IKEA and are not yet advocates for the brand.

3. Validity and reliability of the research

Although the chosen sampling technique has the potential of being representative, the chosen group of people may not be exemplary of unconsidered characteristics which in turn is a consequence of the non-random nature of sampling (Saran, 2018).

Various aspects were considered to provide reliable and valid results based on the conducted research. The usage of data triangulation, where a variety of data sources, including time, space, and persons, were used. This way, the findings can easily be corroborated and any weaknesses in the collected data can be compensated for (by the strengths of the other data), which increases both the validity and reliability of the results. In the end, this approach will strengthen the conclusions about the findings and it simultaneously reduces the risk of false interpretation (ResearchArticles.com, 2020).

An external factor that could potentially threaten the validity and reliability of the field research, is the lack of a female representative which would show behavior characteristic for the females. Finally, it is impossible to base research only on three interviews since the data would be insufficient.

4. Interview guide

Dear interviewee, welcome to our meeting. Today I will conduct data about the IKEA customer journey. The questions will be focused on the Purchase and Loyalty phases. In addition, I would like to say that the laddering technique is going to be used in the interview, which means almost after each question the question "WHY?" will follow. Are you okay with that? Great, let's start.

1. What is your age and name?
2. Do you own any IKEA furniture? (Purchase)
3. How did you buy the IKEA items? Do you usually prefer buying furniture online/ or in brick-and-mortar stores? (purchase)
- 3a. Why do you prefer this way? Is it important to you to first try and experience the product?
- 3b. (offline) How far is the closest IKEA store to you?
4. When is the last time you went to IKEA? (purchase)
- 4a. Why did you go there?
- 4b. Why did you need that?
5. How often do you go to IKEA? (loyalty)
- 5a. Why do you go there? Is there something specific you need every time you go there?
6. Do you find it important to be advised by staff in the store/ on the website? (Or easier to make a decision) (purchase)
- 6.a. Have you ever been advised by the staff in an IKEA store in your life? What did you like/ did not like in this experience?
7. What do you think about IKEA's customer service? (purchase | loyalty)
- 7.a. (good) Why do you think it's good? What are the criteria? Do you have any example you would like to share?
- 7.b. (bad) Why do you think it's bad? What are the criteria? Do you have any example you would like to share?
8. Have you ever had an obstacle, or been irritated when you were in the process of buying something from IKEA?
- 8a. How did you tackle it?
9. If you have any hesitations/ questions regarding the buying process/ or a product, how would you like to ask for help- online via email, on the website, on social media pages, or in the store? (purchase | loyalty)
- 9.a. Why would you choose this way?

10. What social media platforms are you most active on? Which of them would you like to be informed on?
11. What are the most important criteria for buying furniture when making your decision?
 - 11.a. Why are these important for you? What will happen if you fail / forget/ don't consider them?
 - 11.b. (Did not mention a price) Is the price significant factor for you while purchasing furniture from IKEA?
12. How long does IKEA furniture last /endure from your own experience?
 - 12.a. From 1 to 10, how important is it for you for a furniture item in your home to be durable?
13. Is there any IKEA item you have purchased more than 1 or even 2 times?
 - 13.a. What was that?
 - 13.b. Why did you purchase it one more time?
 - 13.c. Did the item meet your expectations and requirements the second time?
 - 13.d. Will you buy this item one more time in future? Why?
 - 13.e. Under what circumstances you would buy in one more time?
14. Do you end up buying things in the end of your journey to IKEA? (purchase)
 - 14.a. (yes) Does it mean that you satisfied with the variety of the products? Is there another reason for that?
 - 14.b (no) Does it mean that you are not satisfied with the variety of the products? Is there another reason for that?
15. When were you satisfied with a purchase you made at IKEA/from IKEA? Or definitely dissatisfied with a product? Could you rate it from the scale from 1 to 10?
16. How likely are you to recommend IKEA to friends/family/acquaintances?
 - 16.a. Why would you (not) recommend?
17. Do you miss anything when buying something from IKEA? Or after you have bought it already?
18. Do you have any other customer experience you would like to share with me?

5. Joint transcript

1. What is your age and name?

R1: I'm Floris, 24-years old, from Arnhem, The Netherlands

R2: My name is Monjoy Chaki. My age is 22.

R3: My name is Udbhav Goyal. I am 20 years old.

2. Do you own any IKEA furniture? (Purchase)

R1: Cupboards, from Ikea- Kallax, Alex, and others.

R2: Yes, I have a coffee table, a table to keep my monitor on and a lamp.

R3: I do not own big furniture, but small ones like mirrors, table lamps etc.

2.1 Why did you buy them?

R2: I moved to a new place and required some furniture and they were available at a reasonable price and they went with the idea of the decoration I had for the room.

3. How did you buy the IKEA items? Do you usually prefer buying furniture online/ or in brick-and-mortar stores? (purchase)

R2: I purchased it online. It was a pick-and-collect.

R3: Usually I prefer to buy it offline, but if it is a big item then I would like to order it online.

3a. Why do you prefer this way? Is it important to you to first try and experience the product?

R1: I don't need to feel or see it, because I have very good visual/imaginary perception. But IKEA is just around the corner, so why not? If it was far away, I'd probably order online.

R2: I would personally prefer a brick-and-mortar. You could say, I'm old-fashioned in that way, I prefer face to face communication.

R3: (Offline) I like to see the things and how they are displayed in IKEA then buy it.

(Extra Q) Do you think it is important for you to try and experience the product?

R2: It depends on what kind of product it is. Maybe if it is a bed or a couch I would try to go and sit on it to find the comfort but for a desk or a table I would just go for whatever it is.

3b. (offline) How far is the closest IKEA store to you?

R1: It's around 10 min by car.

R2: It's actually quite far away. I'd say solid 20 minutes by car.

4. When is the last time you went to IKEA? (purchase)

R1: A couple of months ago

R2: A month and a half ago.

R3: Last weekend

4a. Why did you go there?

R1: To buy shelves. /I would always go to the store, because the IKEA store is like a whole experience. Especially with my mom, we could just go there and look around for 5 hours. / We go sometimes with my girlfriend- she usually needs something small (a basket for storage) and 1-2 things, but we still walk through the whole store, just because it is fun. We always plan to sit in the cafe and have the meatballs. Always! Nobody goes there only to buy 1-2 things that they really need. Everybody goes for the experience! I did it only once, because I was in a hurry. But even in this case, you still have to walk through lots of products and always see something that you like! And you think: 'Oh I was looking for that', or 'Oh that seems practical', 'Oh I can do that at home'. And the next time you go, you actually buy it.

(Extra Q) What value will that feeling of creativity being in your life?

R1: When you grow older, you kind of lose that creativity that you had as a kid, and you got to see the IKEA products as Legos- You can do everything with them! The showrooms just spark your creativity! And they show what different things you can do with their products, that you have never even thought of. And you get energized after that, even if you get tired when assembling the product and you miss only one tiny part of it.

(Extra Q)/Why did you value your time with your mom?

R1: It was a quality time of course, and it is fun to look around.

4a. Why did you go there?

R2: I ordered said furniture that I mentioned before and I had to collect it from the store.

Extra Q Why did you choose to collect it?

R2: The delivery cost was pretty high and I think, unless you're ordering something really huge or something in big amount, it's not worth it because you would be paying

more than you would have to. It's not very economical.

R3: I did not need anything specific. I just went there because there was not a lot to do. And to grab some lunch in the IKEA restaurant.

Extra Q How often do you go to IKEA?

Probably once in 2, 3 months or something.

4b. Why did you need that?

R1: I need it because I had the same, but I made corrections when fitting it into the place where I decided to position it, and I didn't do it correctly- I damaged the IKEA shelves.

I want to make my room feel like home- more relaxed, able to do anything, to be spacious, not cluttered, because if it is cluttered in the room, my mind will be the same. The fact that it's cheaper offers a lot of opportunities to be creative with it.

It's also flexible/adaptable-e.g. The cupboard you have on the floor, I have it hanging on my wall. Everything you buy from IKEA has a light-weight.

But it is still a student home, so I wouldn't buy something really expensive. Probably from other brands the furniture will be more durable. But from IKEA it still looks great, it works.

When they started with it, they called it 3D Kitchen Modeling program. Right now, I believe you can create your whole room and certain areas, the whole house. And I have used it lots of time.

R3: If I go there, I usually have some specific need, but sometimes as I have mentioned, just to go around, have lunch.

(Extra Q) Why?

R1: I used it to see if a cupboard can fit underneath a low roof. So, I could see how can I position it, and use the space wisely. We also used it to see how we can place out furniture at the kitchen, and then we went to another store to buy the furniture from it. It's just a useful tool. It saves a lot of money- you don't need to hire an interior designer.

(Extra Q) Why did you choose the other store?

R1: Because, although moneywise it was far more expensive, the quality is much better. The furniture in a kitchen will stay probably for 20 more years in the house- it's a pretty big investment, so you should do it correct once. It's still there and looks modern.

5a. Why do you go to IKEA? Is there something specific you need every time you go there?

R2: Speaking of IKEA, after all these years they've created a psychological nudge. When you speak of furniture, the first word that comes to mind is IKEA.

Extra Q Why do you think it's that way?

R2: I think it's proper branding and a force of habit. A trust that you grow for a company after they deliver on the promise.

Extra Q Why do you think they have delivered on the promise? Have you only had positive experiences with them in the past?

R2: So far, yes, I'd say.

Extra Q Why would you say it was positive?

R2: Whatever I purchased; it came right as it was advertised.

(Extra Q) But if you settle in a new house, would you opt for IKEA furniture?

R1: I would still go there, because the house from the beginning doesn't need to have great furniture. I would buy something cheap and still good, until I find something more suitable for example. For example, in this case I'd buy a table from IKEA, because it's reasonably cheap and will last a long time. But will not be a permanent solution. But my girlfriend (also 24) thinks differently- that if you move to a new house, the house should be ready with the proper furniture for the far future.

(Extra Q) Why?

R1: It is because of the different upbringing/household. Her parents needed to have a house-ready before they move in, and my parents were willing to do a lot of repairs and renovate their house. They took time to settle in and make their place feel like home. They are practical people. They first wanted to see what works and what doesn't and then buy a permanent furniture.

6. Do you find it important to be advised by staff in the store/ on the website? (Or easier to make a decision) (purchase)

R1: I don't find it important. When you go to a specialty store- Yes, but IKEA isn't such. It is in a way- a wholesaler, which means what you see- you get. I don't need to be advised.

R2: Honestly, yes. Because when you're reading all that information, there might be a lot of things that you don't understand and the staff is well-informed. They are trained to know more about the product and what they're selling. I definitely think that they try to push it on you but they still give you information- stuff you need to know.

R3: No, not really. I feel like everything is quite straightforward.

Extra Q So do you find it easier to make a decision when you have recommendations by a staff member?

R2: Eventually, I guess it's a whole paternalistic thing like you listen to what they're saying, but eventually you just go with your gut and well, if what they're selling is good,

sometimes maybe you can flip your decision listening to them. But it's mostly my own decision.

6.a. Have you ever been advised by the staff in an IKEA store in your life? What did you like/ did not like in this experience?

R1: Yes, of course- I've been advised! I received help when we were shopping with my sister. The product wasn't in stock and I think they searched for about half an hour. The way they were working to solve that- calling other employees and searching one by one, and actually looking it up and sending pictures of the warehouse to their colleagues

gave us an idea that they were actually looking for it! Not sure if it works, but it's a credible way of helping the customers.

Well, first of all IKEA staff in the store do not get revenue from the sales - which is pretty great, because this means they are not pushed to sell you more, or make things better than they are. That means that the information they give you is 9/10 more genuine than for example if you go and buy a TV (then, the one TV would be always better than the rest, no matter what it is. And that's because, I believe, IKEA works with a pull strategy, instead of push.

R2: Honestly, yes. Because when you're reading all that information, there might be a lot of things that you don't understand and the staff is well-informed. They are trained to know more about the product and what they're selling. I definitely think that they try to push it on you but they still give you information- stuff you need to know.

R3: I have not really asked for it so I have not been in this situation.

(Extra Q) Which one strategy do you think works better?

R1: Depends on the store, but I think, revenue-wise for the store, the 'pull' is the way to go. But it's something created by branding, product recognition, etc. so if you want a more stable company- you and better work with a pull.

7. What do you think about IKEA's customer service? (purchase | loyalty)

R1; In the store- yes, it's good.

R2: Prepurchase, I think it's pretty much all right. There is not a lot of interaction involved unless you're going to the store. You just pretty much go to their website, you click on a bunch of stuff and then, you just have your products. In the store- yes, it's good.

Post-purchase- I don't know. I haven't needed any repairs so far. And I haven't heard of anybody requiring like repairs for a purchase from IKEA. So, I actually don't have a frame of reference to comment on that. But I'd say that while they could improve their delivery facility there's a lot of other local delivery services that come for way cheaper than IKEA. And since they have to make deliveries all over the place, I think they could lower the cost a little.

R3: It is good. Most of the time it is at the checkouts where I have interacted with them. And they are super nice and helpful.

(Extra Q) Have you been advised by the call center?

R1: Yes, we called them for my mother. She ordered curtains and it took literally 3 months for them to arrive. They don't help you that much when you call them. So, don't call. They told us that they are out of stock, and needed to be shipped from another store which is far away (in another country). And I knew it was all bullshit- the curtains were literally in stock here, in Duiven. That was super weird. And eventually they came- and they were in the wrong size, so they had to be cut to fit in. We were tired of calling

back and forth and didn't call them anymore. We actually called the Duiven store, but they told us it is a completely online purchase coming from the central store, so we could have been helped solely online. And that made sense. They gave us the contact of the central store, but it put us through the call center.

Another time, we ordered benches (for my girlfriend work- kindergarten) and we picked them up. They were in stock, and we just made a reservation to pick it up after 4 hours. We got a route in an email to the store to pick it up from. And we pay online. We got a payment completion email, an email notifying us that we can go and pick it up, and about the time when you can pick it up, so we got 4 emails for 1 order. So, it was very well-structured and no misleading information, but clear and true information. So, it was perfect.

(Extra Q) And do you need more help with the orienting while you're on the website?

R1: No, because what you can find in the store, you can also find on the website- it's shown in the exact same way. But if you do have a question, you should Definitely ask it the store! I think they have a call center, but the chat option isn't automatically generated response. So that's not perfect.

I always prefer the info that the shop assistant will give you than the one that somebody online can give you, because usually the people online are from the call center, they probably never stood in the store as an employee, had a basic training and how to handle annoying customers if they have difficult questions, or repeating customers. I don't believe in the quality of service (in general) that people from a call center can give you. They are not very well experienced. I see this at my work (at Media Markt).

R2: No, it's pretty user-friendly.

Extra Q Why do you find it user-friendly?

R2: It's very simple. Well, unless you're born in the sixties and don't have much, knowledge about technology, you can pretty much take care of it.

(Extra Q) How do you think that the quality of the call center/ people who help online can be improved?

R1: Only if the people from the call center/who help online have workfloor experience. That's a long journey however, and it's not possible to create such a big thing, because you need around 3 months to train these people to know everything (from the workfloor). And they have to have the whole knowledge.

(Extra Q) Is it possible for them to be divided and the different people to have experience and knowledge only for particular things?

R1: That's possible, but is that a positive situation for your service? I don't think so, because you have to keep people constantly 'on hold' when calling, or you have to send them to a different co-worker, so people will have to wait for way too long. So, sure, you might get the correct information in this way, but it's not a great service.

(Extra Q) And what if on the website, there are different numbers of the people who answer the different questions (on specific topic)? And it is said that you can call and ask straightforwardly this particular person?

R1: Could be, but in my opinion (no offence) people are stupid. (e.g., If you tell them that they need to pick up what they ordered in the back of the store, they will still go to the front of the store). Doesn't matter. Even if they were informed about that in the email. We (at my work- Media Markt) once put a big shiny billboard in front of the parking lot, and 90% missed it.

In my opinion, even if you put numerous numbers on a website with the different service people who are responsible for a specific product range, people will still call the 1st number they see, just because they want to be helped, to be heard, to have the correct answers.

There are a lot of possibilities, but when someone is irritated, or confused, and wants help, they are not necessarily thinking of the correct way of solving.

(Extra Q) Do you think that creating a training app for these people will work and improve the call center people's service?

R1: No. They still have no experience. It's just reading, reading, reading, doing tests. But if you work in the front office, you get the weirdest questions sometimes. In my situation I can be available 24 hours per day for questions by customers on WhatsApp.

We provide customers with little cards with (3) phone numbers they can call contact for questions. And usually, we give them most often when they are misled by the people from the call center. /There are 4 numbers- mine, from the front office, form the back office and one general for the store itself. On it, they still get automated responses, but they could be thus- pointing out which type of products they've faced a problem with, helped by the different specialists in the store. - via WhatsApp. /

So, it's in a way automated, but also manual. And we still have a call center, but I hate it.

(Extra Q) And you have the IKEA app. Are you satisfied with it?

R1: It works there, I don't have any complaints there. It's just like a mobile version of the website, so it's fine.

R2: I do not.

7.a. (good) Why do you think it's good? What are the criteria? Do you have any example you would like to share?

(Answers above- in 7.)

8. Have you ever had an obstacle, or being irritated when you were in the process of buying something from IKEA?

R2: Not really, no.

(Extra Q) Was there a situation where you wanted something, but it was out of stock, or did you have transport problems, you should have waited longer or something?

R1: IKEA is crystal clear about it. If you bought something 2 weeks before that, you actually contact them via the app or website, just by sending them your receipt and they will actually refund the more than the amount you spent on the current offer. That works great.

Basically, everything you want to change, or there is to change, can be found on the app. Literally, every bit of information, which is oddly satisfying, because no company has it that well thought of. Usually, you should click link by link by link until you actually find what you need to solve your doubts, and IKEA has its app. For example, if your product is broken down, they have 40 pages with what part of your product has broken down, or could be missing and how you can fix it and what to do next! Well, usually it's gone to the store, or ask someone from the call center, but still.... the amount of info that's accessible upfront is in a way too much, but it leads you to the correct path. It works, although it takes forever.

I prefer too much info that actually makes sense than too little or almost no information about things that are not even correct.

R2: No.

9. If you have any hesitations/ questions regarding the buying process/ or a product, how would you like to ask for help- online via email, on the website, on social media pages, or in the store? (purchase | loyalty)

R2: I would very much like to have a phone call.

9.a. Why would you choose this way?

R1: Answers-above: staff in the store- because they have the needed experience and will not mislead me. Or via the app.

R2: I just prefer it that way, I think I'm just more of an upfront person. Instead of typing, I prefer, face to face interaction or, at least over the phone when you can hear another person talking.

Extra Q Why wouldn't you go to the store?

R2: Because it's too far.

10. What social media pages are you most active on? Which of them would you like to be informed on?

R1: I would not like to be informed on social media. If I need information about the products, I always look it up myself.

R2: Instagram, definitely. I think it's not just me. I think it's most of the people of our demographic. They're always on Instagram. So maybe Instagram would be a nice place to target. I'd also say Reddit.

R3: I am active on Instagram. However, I would like to be informed on their website itself (IKEA).

(Extra Q) Will you follow them so that you can keep up with what IKEA offers?

R1: I don't follow social media accounts of stores, not even for my store.

R2: I personally would not follow them, but yeah, if they have a page, I'd look into it before making a purchase.

(Extra Q) Why?

R1: Because the Internet works with Google Leads, which means if I follow something from IKEA, something about it will pop up everywhere.

(Extra Q) But then you can use Adblockers?

R1: Whatever they are posting, is a way of advertising. If they have more of the posts that weren't connected to selling/advertising, then they would have bad marketing, to be honest. The way Google works is very powerful, everything is in your face.

11. What are the most important criteria for buying furniture when making your decision?

R1: My girlfriend has to approve. They are bought after correspondence with her.

It has to be easy to manipulate- so to be creative with it. To be movable, to be easily cleaned. Easily maintained.

R2: If it's going to look nice or not.

R3: Well, for me being a student, I would say first the price. Second, if it looks good and goes well with my room. And third if it is easy to assemble.

Extra Q Why is that a factor?

R2: I don't want people coming into my house and thinking, it's ugly, do I?

11.a. Why are these important to you? What will happen if you fail / forget/ don't consider them?

R1: Because we are saving up together and then for bigger purchases, we use from these money. So, if I buy something more expensive, or she- we take the other person's consideration in account.

11.b. (Did not mention a price) Is the price significant factor for you while purchasing furniture from IKEA?

R1: Yes, it is important, and more particularly for my student apartment.

If I have children, I would not compromise and I'll buy a better furniture even if they might make some troubles and damage some of it.

R2: Yes, very much so.

(Extra Q) Why?

R1: Because you as a parent are responsible for teaching them manners. And even an adult can mess up around unintentionally. Of course, safety-wise, I'll consider it more thoroughly. I believe they can learn the best from their mistakes.

Extra Q Why is it a factor?

R2: Because I am a student and we're often on a budget.

12. How long IKEA furniture can last /endure from your own experience?

R1: I would say it lasts for quite some time.

R2: I'd say three to four years.

12.a. From 1 to 10, how important is it for you for a furniture item in your home to be durable?

R1: 7/10 It is useful. But it depends on the product, of course.

R2: 8/10

R3: 7,8/10

Extra Q Why is that?

R1: Because they sell not really, but still durable products. And there are always places for improvement

R2: Because I don't want to go for a repurchase.

Extra Q Why?

R2: Because it goes out of your budget.

13. Is there any IKEA item you have purchased more than 1 or even 2 times?

R1: Yes. I have a stand for the TV that my parents have in their house, and I have the same product but in different color and I use it for another reason- as a book cabinet. I liked that it is versatile and is offered in different stamps/colors.

R2: No.

R3: No.

14. Do you end up buying things in the end of your journey to IKEA? (purchase)

R1: Yes.

R2: You mean like an impulsive purchase? Well, yes, like when I bought all these furniture, the lamp was not planned, but yeah, it was there and it went with the rest of the furniture, so I ended up buying it.

R3: Mostly I buy stuff in the end. So, on the bottom floor where there is everything. Because I feel like you can see everything that's around there and then buy it.

14.a. (yes) Does it mean that you satisfied with the variety of the products? Is there another reason for that?

R1: They have a huge variety. That is important, indeed. If it is all in only one color, for example, it will be...boring. They have literally everything you need in a house. We have 'boulevards' with shops that specialize in selling either couches, or kitchen appliances, or something else. And then you have IKEA, which has them all in one store.

R3: I do not know it is just better to see all the stuff on the bottom floor and then buy it. And also, it is less walking with the stuff all the way from the beginning. It is convenient.

15. When were you satisfied with a purchase you made at IKEA/from IKEA? Or definitely dissatisfied with a product? Could you rate it from the scale from 1 to 10?

R2: Pretty recently, about a month ago because I got a gaming chair for a really low price I'd give it a 9/10.

R3: As far as I can remember I am not dissatisfied with any product. And satisfied... With a table lamp and carpets. They are quite good. I would give them an 8, according to the price I have bought them for.

Extra Q Why were you satisfied?

R2: Because it's very comfortable. It has nice tiny wheels I can roll around on. And yeah, I mean, for the price it came for the qualities really good.

.16. How likely do you to recommend IKEA to friends/family/acquaintances?

R1: 7/10 You don't have to recommend it, because everyone knows IKEA.

R2: 8/10

R3: Most of my friends are students as well, living in similar apartments, so if someone asks where to buy furniture from - it is IKEA. 8/10. I would recommend it, because we have similar interests and lifestyle.

16.a. Why would you recommend it?

R1: They have many options, everything you need. But if you need something with specific sizes that are not ubiquitous, maybe then IKEA might not be for you.

R2: They have variety and, I like the quality of their stuff but they're pretty overpriced.

Extra Q Why do you like the quality?

R2: Because it's durable.

Extra Q You mentioned earlier that the durability is 2-3 years. Is that durable to you?

R2: Yes.

(Extra Q) And what about the price? Why do you think it's overpriced?

R2: I guess it wouldn't be overpriced if I had a higher income. Maybe it's not all overpriced for people of a different income group. You're interviewing a student right now, so it's very likely that pretty much everything comes off expensive because you're always on a budget and all that. For me, I'd say it's a little overpriced.

(Extra Q) Do you think it's a reasonable price for the quality of the product?

R2: Yes, It's a good quality. It's durable, robust material.

17. Do you miss something when buying something from IKEA? Or after you have bought it already?

R1: The meatballs.

R2: I've everything that I've looked for so far.

R3: Not really, no

18. Do you have any other customer experience you would like to share with me?

R1: Yes...something freaking annoying: I have a loyalty card from IKEA Family. I have it on my phone. But try scanning it. It doesn't work. Never. You have to fill it in by hand and then you might mistype a letter or something, you fill it in again, and it doesn't end. You just can't scan a digital pass from IKEA Family in the store. It's such a hassle to fill it in manually- it's 24 digital signs.

This might be their biggest flow- that their digital structure isn't designed to receive mobile devices. The score should be equipped to scan mobile devices.

In different parts of the store- there are: If you get your shopping list in the app with all the placements with materials in the warehouse, you could actually scan them in the warehouse and they will tell you where you need to be. So that works, but why doesn't that work at the register?! And I used different banking cards, so it's not from them.

R2: Yeah, maybe I am done with shopping, there is more space to store your luggage in case you want to go back upstairs and buy more stuff.

R3: Not really, no.

(Extra Q) How exactly does this online shopping list work?

If you made a shopping list online, you can select an item from the shopping list. Then, you get a product code in the form of barcode or QR code and you can scan it in the store. When you enter the big warehouse where the plants are, you go past them and go to the warehouse itself, service warehouse, you can literally scan it at the poll, positioned in the beginning. And they can literally tell you in which rack and which hallway you have to be.

(Extra Q) And if that was missing?

You can still look up the product in the app. It still tells you where they are, in which store...you can do it manually, but it is a bit time-consuming and it is much easier by scanning.

4.5. An analysis of the results

The participants for this interview have been specifically chosen, so that they will be in the post-purchase phase, i.e., they already own pieces of furniture from IKEA.

Furthermore, all of them belong to the target group: 20–34-year-olds from the middle class.

When asked what is their preferred method of shopping from IKEA, all respondents agreed that they prefer an offline purchase. Moreover, despite the COVID-19 measures that made it impossible to visit IKEA in real life during the lockdown, all of the respondents had shopped from the store in the last 2 months. There were a few reasons for their visit one of them was the experience- walking around, going to the restaurant and the other one was practical: to pick-up furniture items in order to avoid shipping costs.

After using the laddering technique, respondent number two gave us deep insights into why he believes IKEA has a psychological nudge: “I think it’s proper branding and a force of habit. A trust that you grow for a company after they deliver on the promise.”

However, the opinions on being helped by staff members are contradictive. One respondent believed that employees are paid a percent of the sales and therefore unreliable, whereas the other found them to be extremely helpful because they do not receive a percent. Contrary to the comments that have been found online during the desk research phase, all of the respondents were satisfied with the customer service in-store. However, the only respondent that had experience with post-purchase customer service shared that the staff wasn’t helpful at all. The opinion was further substantiated “I don’t believe in the quality of service (in general) that people from a call center can give you. They are not very well experienced.”

When it comes to social media the most mentioned platform was Instagram, but neither of the respondents expressed willingness to follow IKEA.

The factors that were mentioned when it comes to buying furniture were mostly the appearance, but also the price, the easiness of assembling and maintenance. All respondents said that the products are durable.

All respondents admitted to having made impulsive purchases and all of them considered durability to be of high importance.

Finally, an important point has been mentioned that the 24 number code needs to be typed manually and the scanning device at IKEA does not work.

The average NPS score of all the respondents is 7,7 which puts them in the passives category. Despite that, all of the respondents shared willingness to recommend the IKEA brand to friends.

V. Mapping of the Customer Journey



2- online and offline purchasing

VII. Persona

PERSONA

offline purchase

Gains



Gijs Visser
@visserg

Shopping in IKEA store for me is some kind of therapy. I get my inspiration for my own room while walking through showrooms hallways. So calming... Moreover, the food in the restaurant is so delicious. I always take a hotdog whenever I am there.

Fear



Oh no! A chair broke down only in 2 weeks!



1. Helpful shop assistants
2. Free parking places next to the entrance
3. Easy-to-understand navigation inside the store

Pains



Gijs Visser
@visserg

Sometimes when I go to IKEA store for the particular thing, it is not in stock. Then, I get really disappointed. Even IKEA hotdog can not help...

I am :

- Creative
- Trustful
- Enthusiastic
- Adventurous
- Independent
- Thrifty

Wants:



Gijs Visser
22 y.o.
(Dutch)

PERSONA

online purchase

Gains



Salma Risanti
@risantima

Being an international student is tough, especially when it comes to buying big furniture items from IKEA, due to the reason that I do not own a car. That is why online shopping for me is a rescue. Moreover, I am quite busy with studying, so it is just easier to go to IKEA catalogue & click on the button "Buy". Done!

Pains



Salma Risanti
@risantima

On the other hand, IKEA delivery costs are quite expensive. In the addition, I would like to touch, feel & try the things I am going to purchase online. Unfortunately, there is no such option yet.

Wants:

1. Always helpful & available call centre.
2. Quick money return
3. Save time as much as it's possible



Fear

An arm chair got delivered without a 4th leg!

I am :

- Time conscious
- Impatient
- Picky
- Practical
- Risk taker
- Thrifty

Salma Risanti
24 y.o.
(Indonesia)

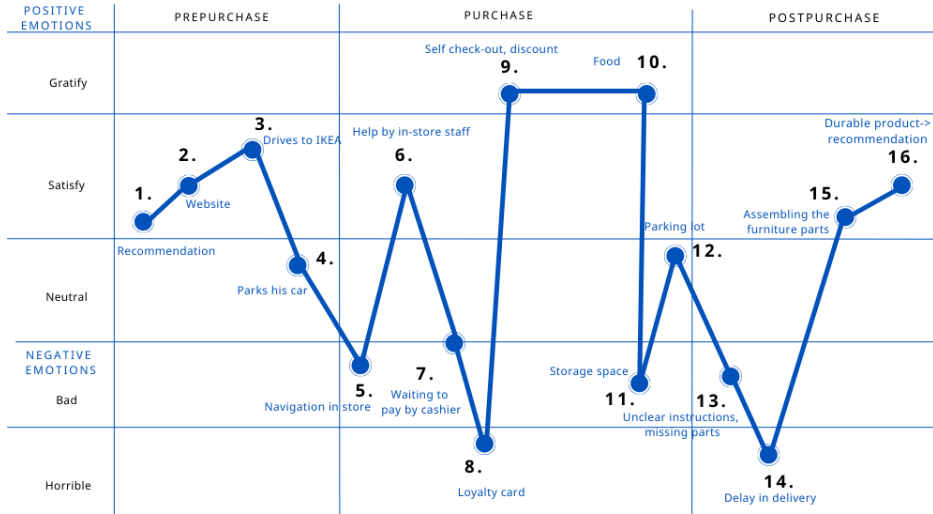
Persona description:

The decision has been made to create 2 Persona by dividing them into 2 separate ways of purchasing: Offline and Online. The reason for that is that people on the IKEA website and people in the actual brick-and-mortar store have different pains, gains, wants and fears. You can see and analysis this that from the pictures below.

Based on research, it has been concluded that international students are more likely to shop online due to the fact that they do not own a car, whereas Dutch people who belong to the same target group are more likely to own a vehicle and be able to go to the brick-and-mortar store. The information for Persona is based on the Empathy Map, field and desk research.

VIII. Emotional curve map

Emotional map



1

Description



Prepurchase

1. Gijs is curious after friend's recommendation on Kallax Cupboard.
2. Then he visits the IKEA website. He feels creative and enthusiastic when he uses the AR to see the Kallax cupboard will fit into his room.
3. He is exited due to the fact that tomorrow he is going to drive to IKEA store and purchase the item, because Gijs liked the description of it.
4. It is crowded, but he manages to find a free spot at the parking lot.

Purchase

5. As soon as Gijs arrived he had some troubles with navigation in the store. He wanted one particular item, but because of huge variety he got a bit lost.
6. After that, Gijs decided to ask the staff for help, to find Kallax Cupboard faster. The staff turned out to be really pleasant and friendly. They helped Gijs fast to find the item he wanted.
7. Gijs was waiting for 5 min in the line to pay for the item.
8. He tries to scan his IKEA Family loyalty card, but it doesn't work. He has to fill in 24 signs of the code manually and get anxious.
9. Then he decided to go for self-check-out desk and pay it by himself. The operation was successful. Moreover, he was quite surprised because of the current discount on Kallax Cupboard.
10. Then, Gijs realised that he was a bit hungry. He saw hot dogs at the food corner. In the addition, food there was quite cheap. So, he decided to have a quick snack.
11. Then Gijs wanted to use WC. So, he needed to use storage room next to it. However, his purchased item was quite big so he needed to occupy 2 shelves. He wished the shelves were a bit bigger... especially in such big furniture store like IKEA.
12. He spent a bit of time to find his car at the parking lot. After he found it, he put his IKEA plastic bag inside and drove home.

Postpurchase

13. When Gijs started to assemble the Kallax Cupboard he encountered a few troubles. The instruction was a bit unclear and there were a few missing parts as well.
14. He called the IKEA Call centre. The staff was helpful and said that all the needed parts are going to be delivered tomorrow. Unfortunately, the parts were delivered 1 week later. Gijs was upset, because he lost time to deal with the problem and he couldn't order properly his books and small items in the room he had just moved into.
15. Finally, Gijs got all the parts, he felt grateful that he could consult himself with the detailed explanation in the IKEA app, he assembled everything and he was so happy because of "owning the product" feeling.
16. In a few years, Gijs noticed that the Kallax Cupboard is quite durable and suggested this item to his friends and relatives.

2

The most satisfying moment is when the customer has already taken their decision and is about to pay for the items. The most dissatisfying moments take place in the purchase and post-purchase phase. These phases are also in the focus of our objective. In these instants, there are problems with the storage space, where a customer can place their products for a moment, while he or she is away (eats or goes to the toilet).

Secondly, customers are disappointed when the instructions for assembling an item are unclear or there are missing parts.

Moreover, the delivery time is often prolonged and there is a frequent problem happening regarding the IKEA Family loyalty card. It cannot be scanned in the store.

It was decided that moments of truth will have a negative aspect. By dealing with these particular moments, IKEA will be able to engage even more customers and keep already existing ones. Therefore, enhance customers' loyalty.

Moments of truth:

1. Navigation inside the store (purchase)
2. Product out of stock
2. Big lines (purchase)
3. Loyalty scheme (loyalty card)
4. Storage space
5. Missing parts and delay of the additional details (post-purchase):

IX. Solution ideas

A+ core ideas that can improve the desired customer experience

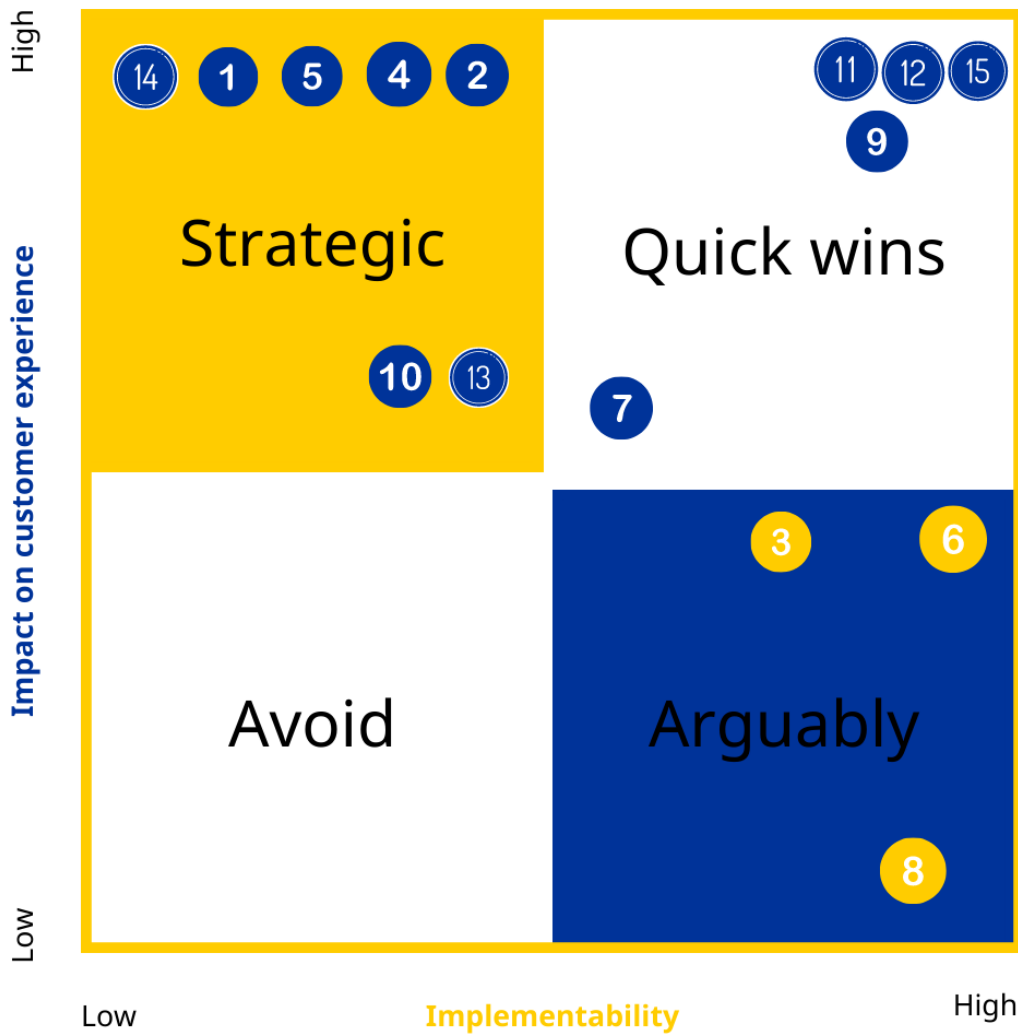
1. **Answer: In what way we, as IKEA, ensure that the post purchase and loyalty phase is experienced?**

The lowest moments of truth in the Emotional map are problems within the purchase and post-purchase phase. These are namely obstacles with the IKEA loyalty card and delay in the delivery. The persona Gijs couldn't scan his loyalty card and had to put in the numbers manually and he was told that the parts would be delivered the next day but they weren't, which upset him.

2. **Table with solution ideas:**

Ideas	High/Low Impact on customer experience	High/Low implementability </> 6 months	Determine the type of idea
<p>1. Big queues when paying- open more registers, or monitor the busiest days and allocate more people working during the peak hours.</p> <p>Or hire people-IKEA customers for the needed (register's) positions on the condition that they will not receive a daily wage, but will win a desired IKEA furniture item (e.g., mattress, table, chair/s)</p>	high	low	Strategic
<p>2. Loyalty card: Change devices in the store that are needed for its scanning</p>	high	low	Strategic
<p>3. Storage space: Build bigger places/cupboards, etc.</p> <ul style="list-style-type: none"> • Could be outside if there's not enough suitable space for that in the store • Provide a microbus- rent it to customers that came in the store, so that they can put their things inside before entering the toilet/restaurant and then transfer them to home. Then via the app, someone else can pick up the microbus from the place one of the customers has left it. 	low	high	Arguable
<p>4. The solution is to pay more attention to equipment which is responsible for scanning. In such way customers will have more pleasant purchasing experience. IKEA should hire a few people who will make the scanning process easier and faster.</p>	high	Medium (low)	Strategic
<p>5. Problem with long waiting time: have better communication between the employees working at peak hours- employ other means of internal communication?</p>	High	Low	Strategic
<p>6. Problem with scanning the loyalty card: The solution is to change a surface of the card to make the scanning process easier. It is better to make it matte. In addition, it would be great to make a code and numbers a size bigger.</p>	High	High	Arguable

7. Problem with scanning the loyalty card: A brief small instruction about how to use a code correctly.	High	High	Quick wins
8. Original idea for making better use of the application: Scan QR code at the store and put it in favorites.	Low	High	Arguable
9. Missing parts problem: Give an employee the responsibility to double check the parts for an item Or make clearer/ stricter instructions for the employees who transport them. Internal comm.	High	High	Quick Wins
10. Cross-selling: Send follow-up emails with similar products that people might be interested in. (Loyalty)	Low	High	Strategic
11. Better use of loyalty card: Load the loyalty card with money so they can scan-out faster. (Loyalty)	High	High	Quick wins
12. Better use of the loyalty program: Win points with the loyalty card and get free food. (Loyalty)	High	Medium High	Quick wins
13. Additional original idea: Ask for feedback on the customer service and give points for completed surveys	High/ Medium	Low	Strategic
14. Delivery problems: Have an additional option to pay more for faster delivery	High	Low	Strategic
15.Loyalty program: Have different loyalty programs depending on the amount spent at IKEA with different discounts and shipping costs.	High	Medium \ High	Quick wins



3. Results:

Avoid: None

Strategic: 1,2,4,5,10,13,14

Arguable: 3,6,8

Quick wins: 7,9,11,12, 15

Final choice for A+ Concept: 11 + 12 + 15

11. Digital wallet to the loyalty card. Load the loyalty card with money so they can scan-out faster. (Loyalty)

12. Win points with the loyalty card and get free food. (Loyalty)

15. Have different loyalty programs depending on the amount spent at IKEA with different discounts and shipping costs.

X. The A+ Concept

From A+ core ideas to A+ concepts: the A+ test

- Does the idea contribute to personal attention?

Yes, the customers would feel special for having a different loyalty program

- Is the idea relevant to the customer?

Yes, because the current loyalty program leaves the customer unsatisfied

- Is the idea proactive? (Does the customer not have to ask for it himself?)

Yes, through the e-mail list customers could be updated about the new loyalty program

- Is the idea repeatable?

It is a long-term solution rather than a repeatable one-time action

- Is the idea unique?

No, it has been implemented by many stores before, but that only shows it is working.

- Is the idea above expectations?

Yes, it is a combination of three ideas and therefore covers a wide range of expectations and goes above it.

- Is the idea actionable? (Practical implementable for the organization)

Yes, the idea is easy to implement.

1. Format to test A+ concept:

Goal A+ core idea	What does each core idea consist of?	Discriminator (what is unique?)	Effect on the emotion curve (GAP)	
			Current experience	Desired experience
1. More than 90% of frequent customers will have and use the final product - A new developed IKEA loyalty card.	“Our loyalty programs”, “Points system”, ‘Tap & Pay’ which are further described in <i>Assignment 11</i>	Variety of offers inside one card.	IKEA has an IKEA loyalty card for discounts.	IKEA can offer an IKEA loyalty card with a lot of additional features such as topping up real money on that card, winning points to get free food at IKEA restaurant and variety of loyalty programs.

The idea is suitable, because first of all, we figured out that our target group scored relatively high regarding the Net Promoter Score (7.7). We ascertained that this was because they found IKEA familiar and easy to think of when purchasing furniture. They were also relatively satisfied with their experience in the store. They were especially interested in the discounts and food experience IKEA provides.

Therefore, just a little bit more effort is needed to enhance their customer experience and make them score 10/0 on the NPS. That is why, we focused on the last stage of the Customer Journey-Purchase and Post purchase stage. Our objective is to improve IKEA’s retention rate and we have found out that we can do so by polishing the most favorable points in their journey (related to discounts and food) by creating a loyalty program/app.

Firstly, this app could have a big potential of achieving that objective, because “Loyalty programs build an emotional connection” and “Repeat customers have a high ROI”. In fact, with this app, IKEA would have the chance to retain its current customers, which costs five times less than to require a new customer. What is more, “the existing customers are 50% more likely to try a new product and spend 31% more per purchase than new customers”.

Secondly, the loyal, satisfied customers help a company reach new customers because they become ambassadors for the brand and 83% of consumers place more trust in

personal recommendations than any other form of marketing. Besides, referred customers are believed to 'have lower churn rates than non-referred customers.

Thirdly, by having a specially-designed loyalty app, IKEA would be able to gain better customer insights on how its customers engage with its loyalty programs and the brand in general. That is because "rewards programs actually double as a form of market research". With them a brand can "identify the rewards that appeal to specific types of customers and pinpoint the rewards that don't receive as much engagement" (Woolnough-Rai, 2022).

In addition, "rewards programs also personalize your view of customer buying habits. You can attribute specific sales to specific people — helping you build detailed customer profiles and understand nuances within your own target market" (n.a., 2020).

Last but not least, our solution will improve the customer experience and reduce the attrition rate. Or in other words, its customers will be prevented from diverting from buying from IKEA (Miller).

Finally, with such a loyalty application, IKEA would be able to increase its CLV (Customer Lifetime Value)- "the net profit generated throughout the entire business relationship with a customer". CLV reveals "how valuable a customer is to your business for an unlimited period instead of solely referring to value brought through their first purchase." (Wordsmith, 2022). This implies, that this bond with the customer will be of much worth in the future.

XI. Storyboard





Wait! I have my IKEA Digital Wallet on my phone! I will pay with it! How handy! I won't go back home to pick my bank card! YAYY!



Why doesn't this stupid loyalty code work?!! I gotta fill it in manually for ages! So frustrating...

Hey, have you checked the IKEA new loyalty app? It's super smooth, easy, and fast to navigate through! And gives you amazing discounts!







- 1) Gijs decides that he needs furniture for his new student room, so that he can decorate it before his new school year starts.
- 2) When he is about to pay at the self-check-out, he realizes he forgot his bank card and he is upset.
- 3) However, he realizes that he has his phone with the IKEA Digital Wallet on it. Now, he can pay for his purchase without going back home to pick up his real wallet.

-> This makes him feel convenient (he doesn't have to think about every small detail in his daily life, such as carrying his bank account with him). Also, this immediately gives him the sense of security: he will not lose his bank card anywhere, because it is on his phone, and there is no chance of someone stealing his physical bank card. He is much calmer and doesn't have worries, therefore- greatly satisfied and optimistic.

- 4) He hears complaints from a customer who is fed up with the IKEA loyalty card, because he couldn't scan the code for discount. He shows the new IKEA loyalty app to him.

-> He shows how fast it is to navigate in the app and how clear are the instructions that you need to follow in order to use the app functions. Thus, he has a smooth experience and doesn't waste time.

5) He shows the other client that he will be able to make use of the 'IKEA friend' loyalty program. That is possible, because he spent 500 euros in the IKEA store in order to furnish his new student room in Arnhem.

-> He is excited that he can have a discount on a free furniture item that he can further decorate his room or he can give as a gift to a friend for his birthday. He shows the other client that he makes use of the 'IKEA friend' loyalty program. That is possible, because the other client spent 500 euros in the IKEA store in order to furnish his new student room in Utrecht.

6) Gijs uses the loyalty program by exchanging the gathered points for free food from the IKEA restaurant to reward himself & his sister w after being tired from shopping for hours.

-> He feels rewarded for his effort of walking for hours and thinking of the most suitable solutions for furnishing his new room.

7) He recommends IKEA to friends when deciding about a birthday gift for their common friend.

8) Together they visit the store again. He feels that his idea for buying gift from IKEA is original and because of the discount he received form the loyalty program-cheaper. This suits their limited student budget.

-> He is proud of himself for his curiosity to download the new IKEA app, for being an initiator among his friends' company. This makes him feel more confident. His human need and desire to be socially approved is fulfilled.

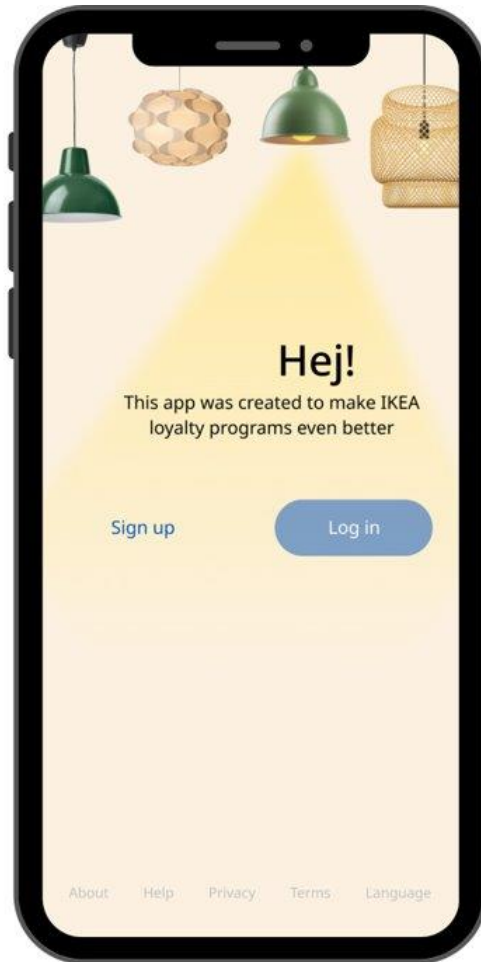
XII. Prototype

The prototype of "IKEA loyalty" was created based on the field research analysis, emotional curve map and storyboard. 3 ideas, such as: Loyalty programs, Coins system and Tap &Pay were implemented. The prototype itself can be found in Appendix 2.

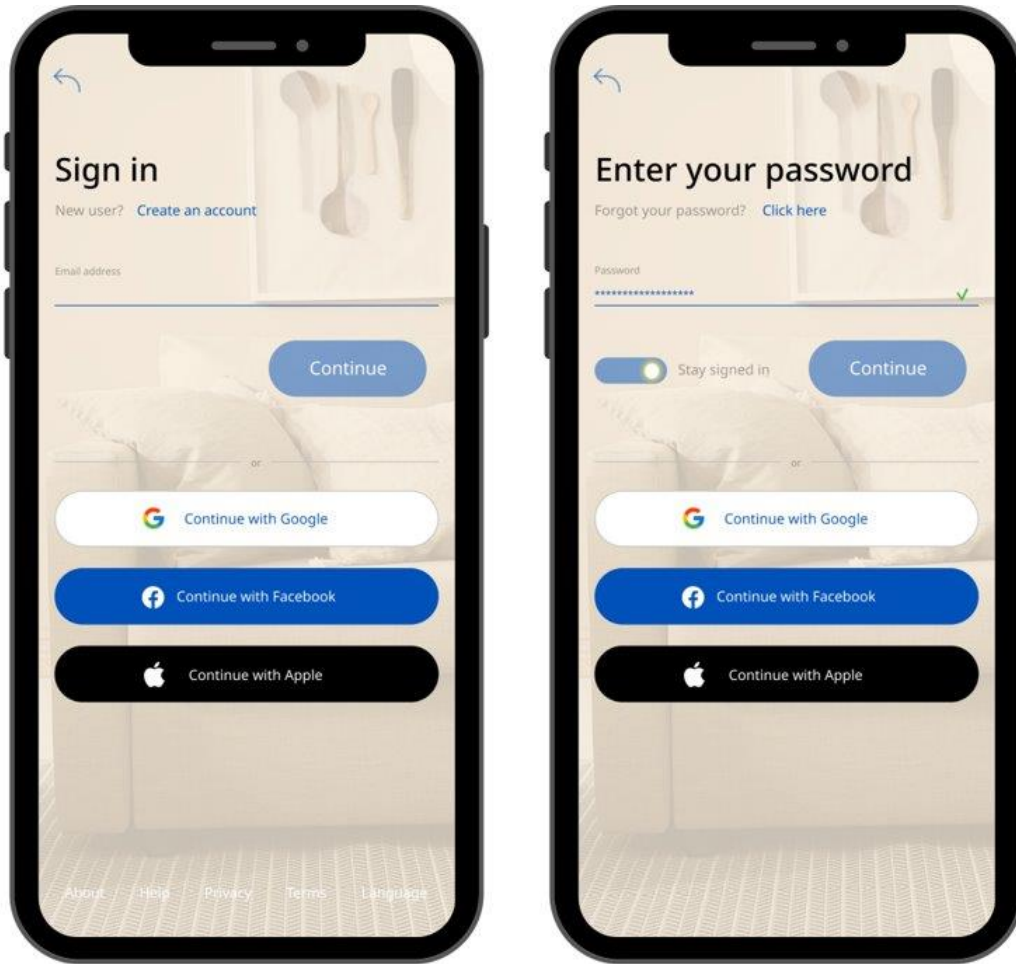
First of all, the IKEA logo can be seen on the first slide, while the app is still loading. It represents IKEA's branding and makes the user aware where exactly they are. Then a small feature of gamification has been applied to show that a user can be creative together with IKEA.



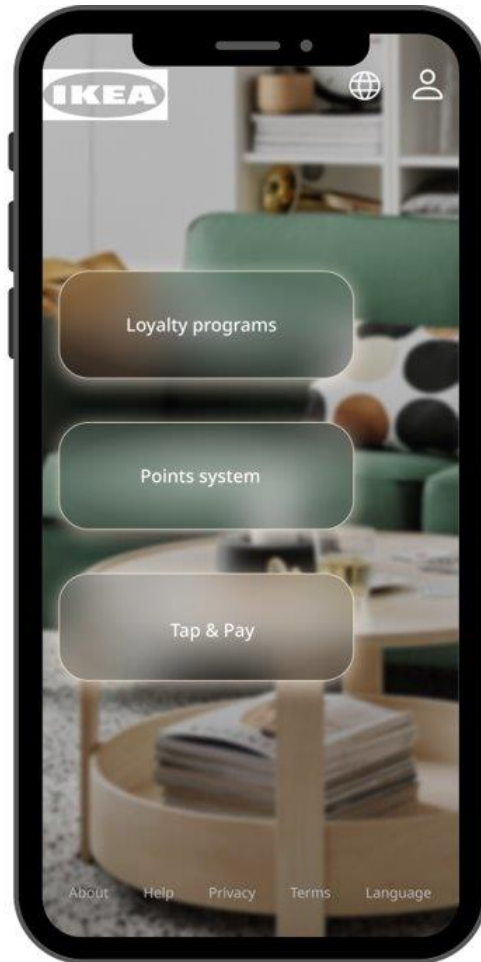
After that a screen the authorization process follows. It is a necessary step; a user cannot skip it due to the IKEA loyalty app way or working. In this way IKEA can guarantee the safety of its users.



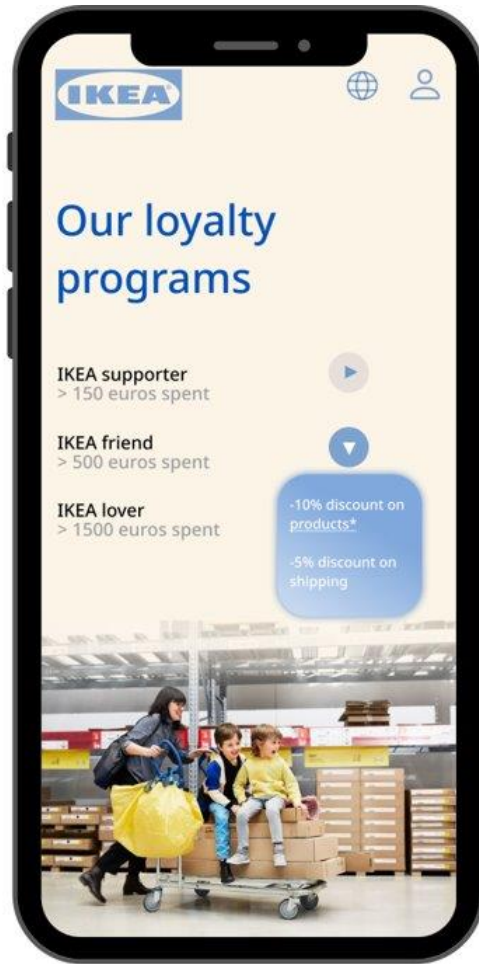
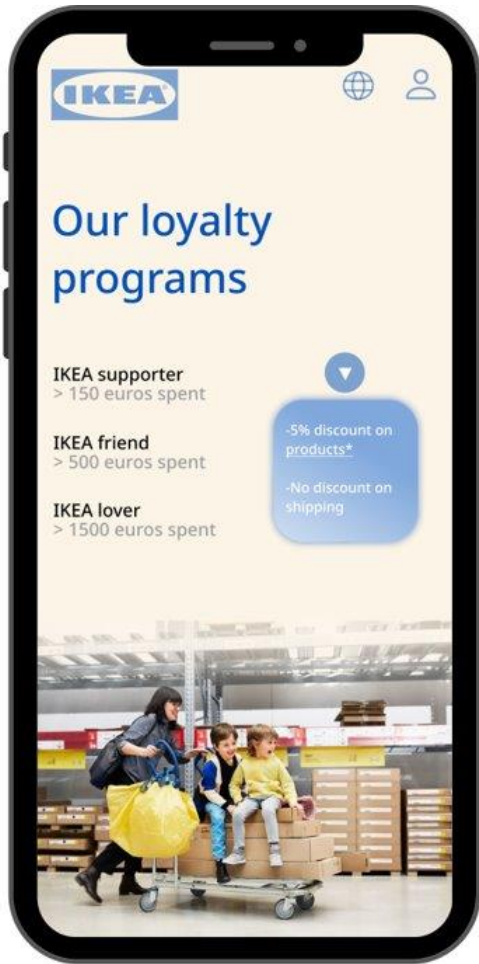
On the next slide the processes of logging in, filling in personal information and the quick verification can be observed. Moreover, there is an option to log in via Google account, Facebook and even Apple. Also, the option of staying signed in was created to make the whole process faster and easier to make the app even more user-friendly.

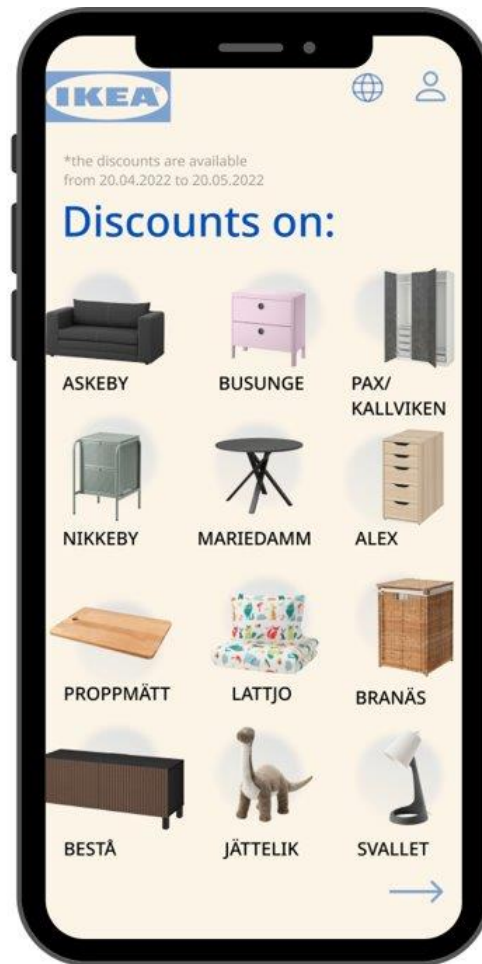
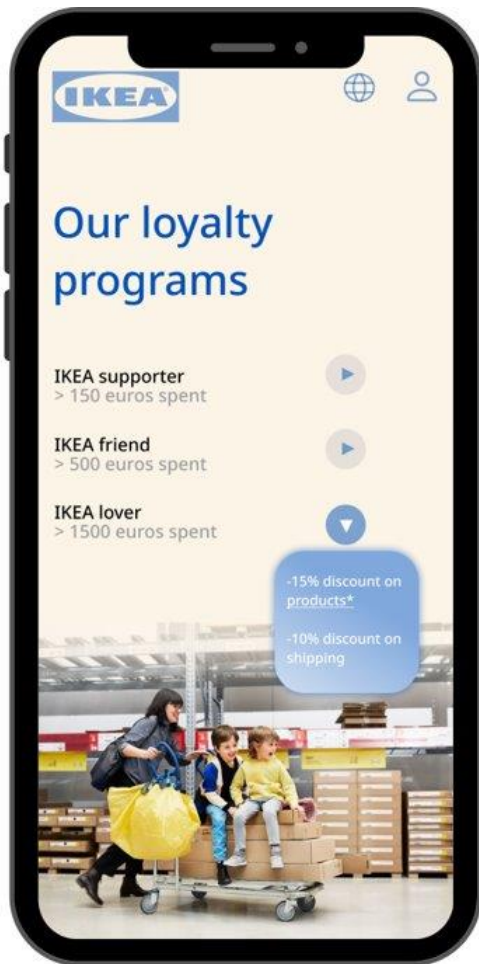


Then, a user goes to the main page where they can see 3 core sections: Loyalty programs, Coins system and Tap &Pay. The IKEA logo will always be present throughout the entire customer experience. It creates a feeling of a “safe environment” for the user because they are aware on what app they currently are. Moreover, it plays a role of a Menu tab. In the addition, you can also reach your personal account and language switch.

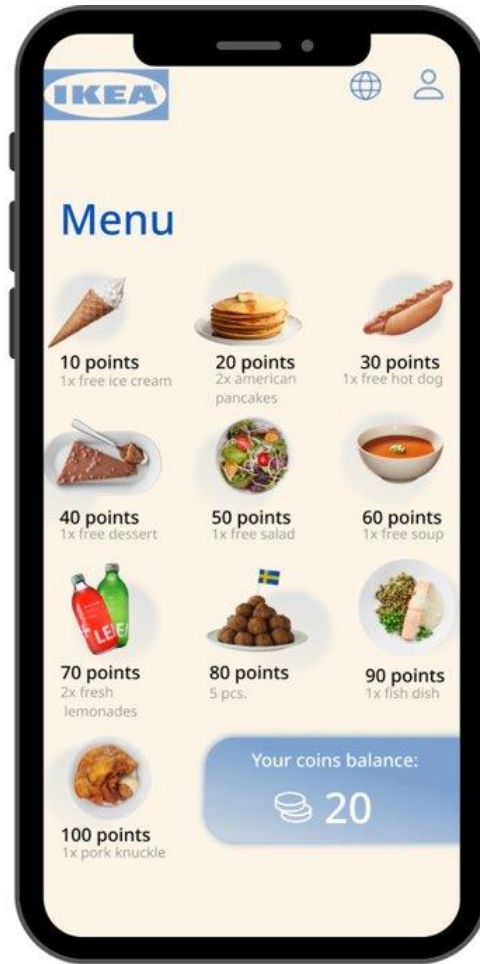
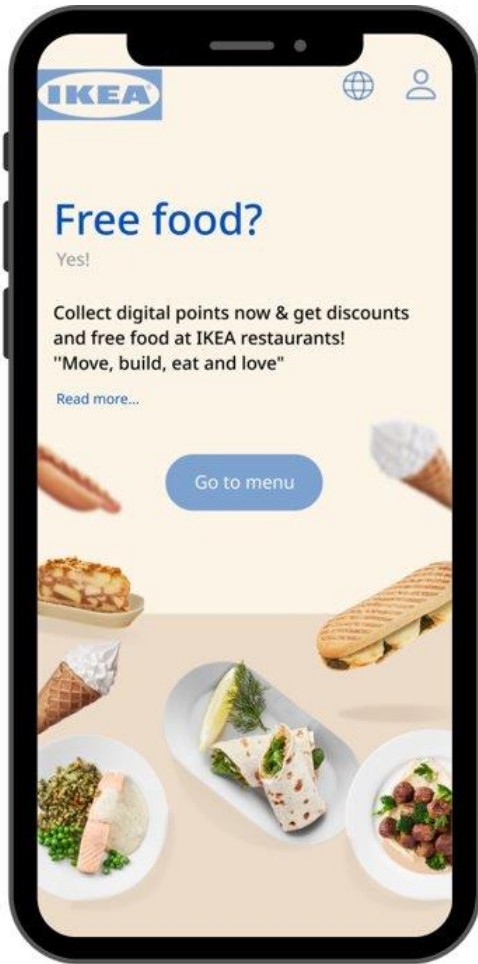


Screen 8 show you the information on “Our loyalty programs”. A user can have detailed information if she or he clicks on the button. Furthermore, the list of the products that are on discount was created too. The items will be changing every month.





Moving on to the second part “Points system”, there is a Menu with the dishes and drinks that a person can buy after comparing with their points balance. Besides clear pictures there are their names and number of points written below.



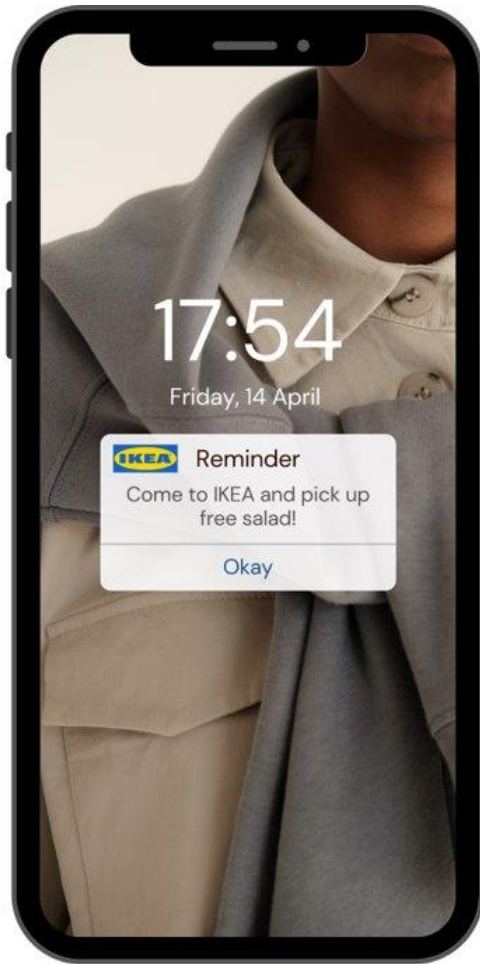
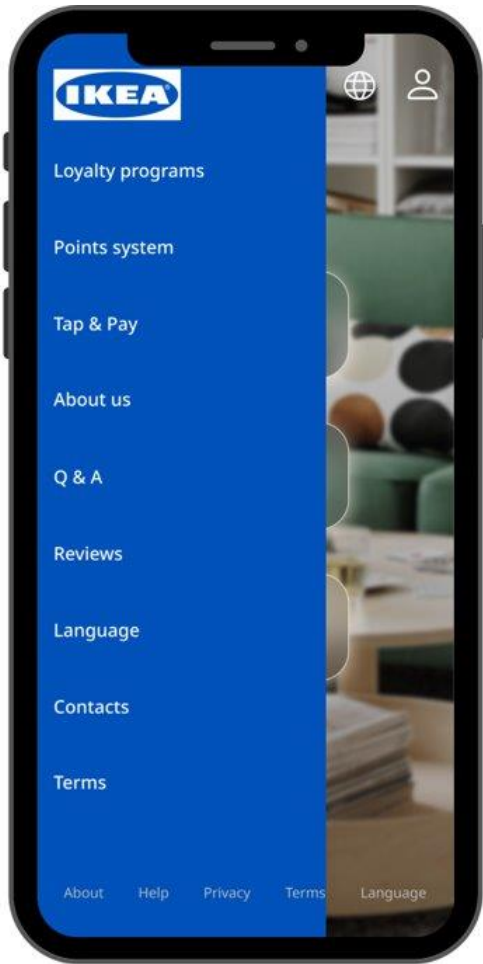
Tap and Pay screen shows that even if you are in trouble with your debit or credit bank card, there is still a way to pay. The information about Tap and Pay and the card itself are situated on different slides for safety and security purposes. On next slide you can see detailed information such as user's current balance, topping up, transaction details and opportunity to ask any kind of questions if the troubles occur.

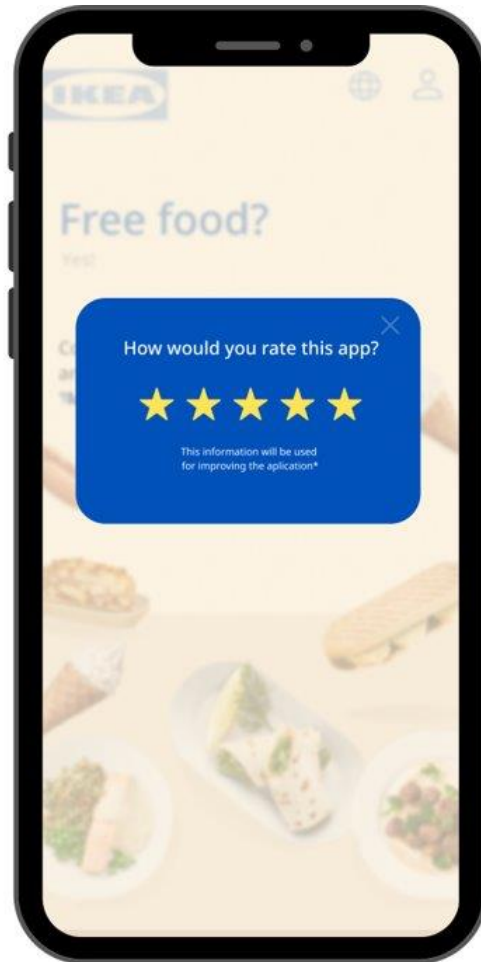


Below the card, there is an option to switch to QR code. It was a great idea to implement two options of payment, due to the fact that our field research and emotional curve map showed that people have troubles with scanning stuff and so on. Even below the QR you might have noticed the text about not being able to scan again with a link. After that a user will see an instruction of what to do in this unpleasant situation because our team is doing everything to leave IKEA customers fully satisfied with customer service.



The next 3 screens are here to show that our team thought about a lot of things even such small details like clear and concise menu bar, evaluation pop-up and customer retention via app notifications.





XIII. Improvement based on feedback

Tops:

- **Clear presentation**

We used the reversed pyramid model, where the product is first, then comes the added value to the organization and finally the smallest part is the research.

Tips:

- **IKEA earns nearly nothing from its restaurant, no need to focus on the revenue from it**
- **20 euros is too much for 1 point**

We have decided to decrease the amount needed for 1 point from 20 euros to 10 euros, thus making the free food more available for everyone. With the free food and discounts on it we don't aim at increasing the sales, but turning customers into loyal ones and IKEA ambassadors.

- **A regular user of the app wouldn't connect his general bank card app to the IKEA Digital Wallet**

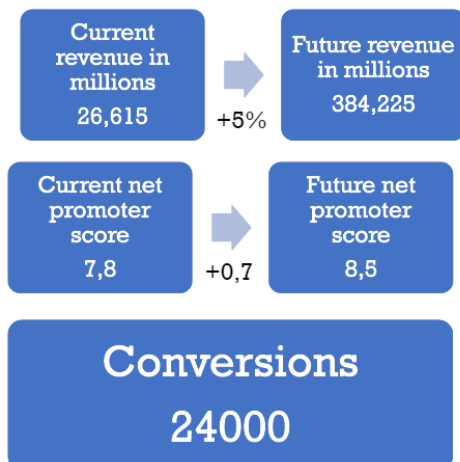
It is not necessary to connect your bank card with all its data to the IKEA Digital Wallet in order to use the tap and pay function. You can just transfer as much money as you need for shopping at IKEA, and use the topped-up IKEA account only in the store. In this way, a customer can also have better control over his finances as he/she will know how much is their personal limit of the money they want to spend at IKEA only.

- **IKEA would like customers to come to the store, the shipping costs don't need to be reduced**

Despite the feedback, we have decided to keep the discount on shipping cost due to the reason that it the high shipping costs have always been a problem for customers based on our field research (interviews) and desk research (online reviews). Furthermore, the other aspects of the applications focus on the in-store experience and therefore would satisfy the needs of both sub-target groups.

- **The price could be too high**

RESULTS



BUDGET

App designing	€12,500
Calculated price for creating the code	€28750
Maintenance of the application	€5750
Instagram advertising	€4000
Youtube advertising	€2000
In-store advertising	FREE
Discounts	*
Total:	€65 500

Contrary to the initial impression of the high cost, we have done desk research- contacting companies and using online calculators and have come up with the final number of 65,500 euros for advertising, development and maintenance of the application. This price could lead to an increase in sales by 5%, an increase in the net promoter score by 0,7 points and over 2400 conversions.

Appendix 1

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Appendix 2

Presentation

https://hannl-my.sharepoint.com/:p:/g/personal/r_videnova_student_han_nl/EQPgNzNrRbROjcmGM0Si5rAB0VPUtCXxKLryi2g41VHJhA?e=V98FBh