



## COMPANY ANALYSIS

### IKEA COMPANY

**TECHNOLOGY ENTREPRENEURSHIP (ENT600) : CASE STUDY**

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## EXECUTIVE SUMMARY

IKEA first opened a store in Malaysia in 1996, at the 1Utama Shopping Centre in Petaling Jaya, Selangor. In 2003, the Swedish furniture conglomerate opened Malaysia's first blue-box store in Mutiara Damansara. According to Bakker, all IKEA stores in Malaysia are in the top 50 out of more than 400 IKEA stores worldwide in terms of visitation. Ingvar Kamprad founded IKEA in 1953 as a mail order catalogue business in the forested town of Imhult, Sweden. Today, it is a global home furnishings brand that provides people all over the world with affordability, design, and comfort.

In this study, I was afforded the opportunity to conduct research on a company that manufactured the same product that I wanted to develop. Despite the fact that this company produces a wide range of products, I'd like to focus on their outdoor products. The product that I want to create is outdoor organising, which is a plant rack with additional functions that can be used in any type of home.

In addition, I conducted an analysis of an IKEA product, a plant rack, to determine its strengths, weaknesses, opportunities, and threats. According to the SWOT analysis, some weaknesses include the rack only being available in a single size, having fewer colour options, staining the floor or balcony, and having the potential to increase the rate of mosquito breeding. These drawbacks inspire me to create a new product to address these issues. I propose using a stainless steel container and a reservoir water rate sensor to alert users to the amount of water in the reservoir container. If they are successful in producing this product, it will be unique in comparison to other companies.

# 1. INTRODUCTION

## 1.1 Background Of The Study

Plants are known as producers because they generate their own energy without the need for food. Plants, on the other hand, such as trees, can absorb this unusable carbon dioxide and use it to generate their own energy. Humans and animals require oxygen to survive. Plants require photosynthesis to take light from the sun and, through a complex series of steps, use this sunlight, carbon dioxide from the air, and water that they take in through their roots to produce sugars that can be used by the plant and oxygen, which is then released into the air. Decorative trees in the home not only enhance the aesthetics of the space, but they can also help with air circulation. Decorative trees can not only beautify a home, but they can also provide numerous benefits to the family. Among them, they are capable of reducing depression, improving air circulation in the home, improving memory and mental health, and mitigating the effects of hot weather.

IKEA is one of the most well-known home furnishing brands in the world. IKEA sells a wide range of products such as furniture, beds and mattresses, storage and organisation, kitchen cabinets and appliances, kitchenware and tableware, outdoor products and many more. IKEA's vision is to make everyday life better for as many people as possible. In comparison to the village area, life in this city is typically separated from the green trees. In today's globalised world, there is far too much indoor air pollution, which can cause diseases in occupants, particularly in apartment buildings and urban areas devoid of vegetation. To assist those who live in cities, particularly those who live in apartment buildings and condominiums, which have limited space. This is due to the fact that a small space in the house area must be made available for the planting of trees, either ornamental or herbaceous. As a result, choosing a suitable tree shelf is critical to ensuring that the space does not become overcrowded. As a result, this tree shelf can accommodate a variety of plants while not staining the floor or balcony.

The shelves are equipped with water drainage and reservoirs to prevent water from dripping and staining the user's balcony and floor. Furthermore, the user can easily dispose of the water. Furthermore, it is available in a variety of sizes, is made of high-quality materials, and is simple to install.

## 1.2 Problem Statement

People who live in cities far from trees and the environment are more likely to have health problems and have less access to fresh air. This is due to the city's developed and fast-paced environment, which includes buildings, smoke vehicles, and factories. Moreover, if their home is small, they will not be able to enjoy fresh and clean air. Furthermore, some occupants who live in apartments and condominiums have a hobby of farming or planting but are unable to do so due to the limited space. Likewise, most tree shelves easily cause the balcony or house floor to become wet and dirty as a result of dripping water falling to the floor. Because the spilled water is stagnant in the lining of the pot, this problem has the potential to increase the rate of mosquito breeding in the area of their house deck.

### 1.3 Purpose Of The Study

The purpose of this case study is to encourage people to plant trees, whether ornamental trees or herbs, even if they have limited space in their home. This is due to the ability of fresh plants in the house area to produce clean and fresh air for the occupants of the house. Even home dwellers can breathe clean and fresh air and treat depression, mental health issues that plague many Malaysians today, particularly during the Covid 19 pandemic period. Furthermore, this tree shelf is intended to be more practical and minimal, as well as to include facilities. It also comes in a variety of sizes and is ideal for planting ornamental trees or herbaceous trees, especially in small spaces. Furthermore, this rack includes a convenient water reservoir system that allows users to clean and dispose of tree irrigation water. It can, in reality, reduce and prevent mosquito breeding in the home. Furthermore, this rack is fully equipped with a reservoir water rate sensor, which alerts users to the amount of water available in the reservoir container.

## 2. COMPANY INFORMATION

### 2.0 COMPANY INFORMATION

#### 2.1 Background

IKEA is a multinational conglomerate headquartered in the Netherlands that designs and sells ready-to-assemble furniture, kitchen appliances, and home accessories, among other goods and services. Ingvar Kamprad, a 17-year-old from Sweden, founded the company in 1943. Since 2008, IKEA has been the world's largest furniture retailer. The group's brand is an acronym made up of the founder's initials, as well as the initials of Elmtaryd, the family farm where he was born, and the nearby village Agunnaryd (his hometown in Småland, southern Sweden).

The group is well-known for its modernist designs for various appliances and furniture, and its interior design work is frequently associated with an eco-friendly simplicity. Furthermore, the company is well-known for its focus on cost control, operational details, and continuous product development, which has allowed IKEA to reduce its prices by an average of two to three percent. The IKEA Group is owned by INGKA Holding B.V., which is based in the Netherlands and is in charge of the centres, retails, customer fulfilment, and all other services related to IKEA products. At the same time, Inter IKEA Systems B.V., based in the Netherlands, is the owner and manager of the IKEA brand, which is owned by Inter IKEA Holding B.V. Inter IKEA Holding is also in charge of IKEA product design, manufacturing, and distribution. IKEA Group is a franchisee who pays Inter IKEA Systems 3% in royalties. For accounting and tax purposes, the IKEA Group and the Inter IKEA Group claim to be unrelated parties. They are, however, both controlled by the Kamprad family and close family associates. Members of the European Parliament have claimed that this corporate structure was designed to avoid paying more than €1 billion in taxes between 2009 and 2014. It is run by a number of foundations based in the Netherlands and Liechtenstein.

IKEA has 422 stores in 50 countries as of March 2021, and in fiscal year 2018, €38.8 billion (US\$44.6 billion) in IKEA goods were sold. All IKEA stores are franchised by Inter IKEA Systems B.V., with the majority of them operated by the IKEA Group and the remainder by other independent owners. IKEA's website contains approximately 12,000 products, and there were over 2.1 billion visitors to IKEA's websites between September 2015 and August 2016. The group accounts for about 1% of global

commercial-product wood consumption, making it one of the largest users of wood in the retail sector. IKEA's vision is to "create a better everyday life for many people." Their company's mission is to "provide a diverse range of well-designed, functional home furnishing products at prices so low that as many people as possible will be able to afford them." Furthermore, their vision extends beyond home furnishings. They want to make every day better for everyone who is affected by our company.

IKEA, the world's largest home furnishings retailer, is conducting a feasibility study and market viability study in East Malaysia, among other places. Arnoud Bakker, IKEA South-East Asia's head of leasing, stated that the company is always exploring all markets before deciding to open a physical store. As a result, he stated that IKEA is concentrating on improving and expanding its business through its assets in Mutiara Damansara (Selangor), Cheras (Kuala Lumpur or KL), Tebrau (Johor), and Batu Kawan (Penang). IKEA first opened a store in Malaysia in 1996, at the 1Utama Shopping Centre in Petaling Jaya, Selangor. In 2003, the Swedish furniture conglomerate opened Malaysia's first blue-box store in Mutiara Damansara. According to Bakker, all IKEA stores in Malaysia are in the top 50 out of more than 400 IKEA stores worldwide in terms of visitation. IKEA stores are run by franchisees who work for the company that owns the IKEA concept and is the world's largest franchisor, Inter IKEA Systems BV. Ikano Handel Sdn Bhd, the brand's franchisee in South-East Asia and Mexico, currently operates seven stores in the region, three in Malaysia, two in Singapore and Thailand, as well as several pick-ups and collection points.

## 2.2 Organizational Structure

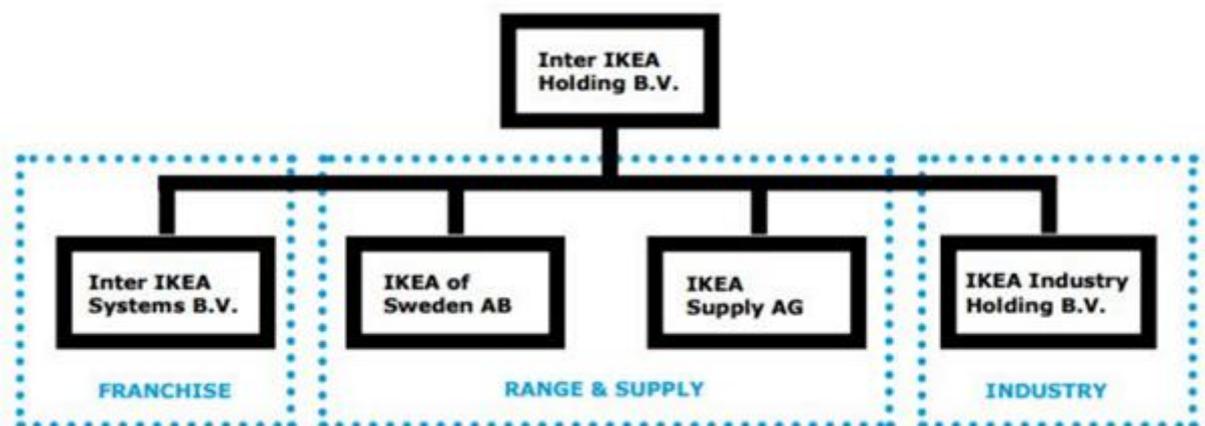


Table 1.0 Organizational Structure

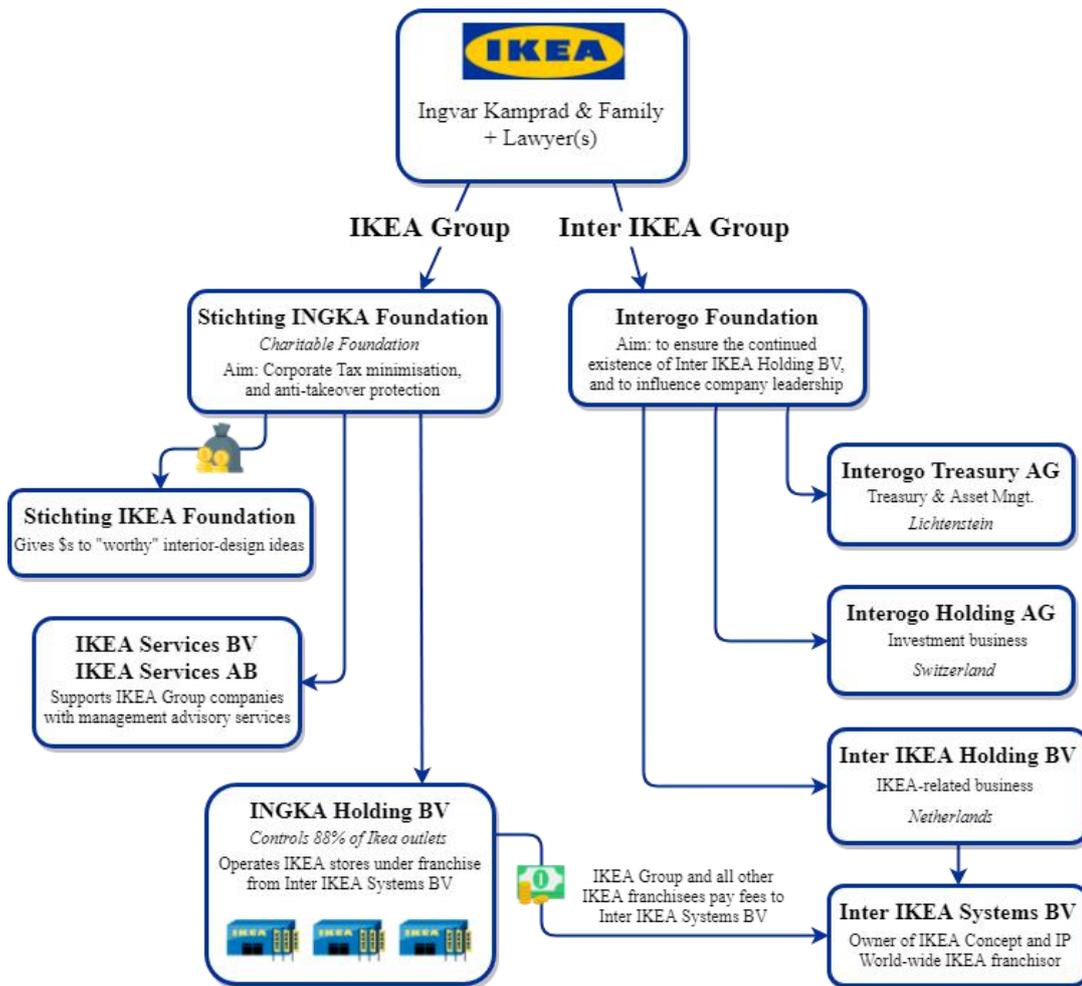


Table 1.1 Organizational Structure

## 2.3 Products/Services

### 2.3.1 Products and Services

IKEA contains more than 20 types of products and services which consist of more than 12,000 items. From household appliances, decoration, furniture, food, and many more. IKEA has been an attraction to all levels of people in shopping as it has varieties of products that have been offered at an affordable price. Here are some examples of the product and services.

Type of Product/ Services	Name of Product / Services	Description
1. Furniture	 <p data-bbox="655 719 810 752">Micke Desk</p>	<ul data-bbox="1110 293 1401 461" style="list-style-type: none"> <li>• Spacious study desk</li> <li>• Available for other colors</li> <li>• Can easily move</li> </ul>
2. Kitchen & Appliances	 <p data-bbox="647 1178 818 1211">Dish Drainer</p>	<ul data-bbox="1110 786 1401 954" style="list-style-type: none"> <li>• Can be hung anywhere</li> <li>• Has water tray</li> <li>• Available for other colors</li> </ul>
3. Beds & Mattresses	 <p data-bbox="523 1715 943 1783">Gursken Bedroom Furniture set of 5</p>	<ul data-bbox="1110 1240 1401 1476" style="list-style-type: none"> <li>• Available for other colors</li> <li>• Set of 5-bedroom furniture</li> <li>• Durable wood and high-quality plastics</li> </ul>

<p>4. Storage &amp; Organization</p>	 <p>SMASTAD/PLATSA Storage Combination</p>	<ul style="list-style-type: none"> <li>• Available for other colors</li> <li>• Spacious organizer</li> <li>• Can be used as a make-up table, wardrobe, and others.</li> </ul>
<p>5. Textiles</p>	 <p>Saltstar Fitted Sheet</p>	<ul style="list-style-type: none"> <li>• High-quality cloth</li> <li>• Doesn't wrinkle easily</li> <li>• Has rubber to support the sheet from slipping</li> </ul>
<p>6. Decoration</p>	 <p>Potted plant</p>  <p>Artificial plant</p>	<ul style="list-style-type: none"> <li>• 15 cm potted plant</li> <li>• Available for other designs of plant</li> <li>• Does not trap dust</li> </ul> <ul style="list-style-type: none"> <li>• Can be styled up to our taste</li> <li>• Has varieties of design</li> </ul>

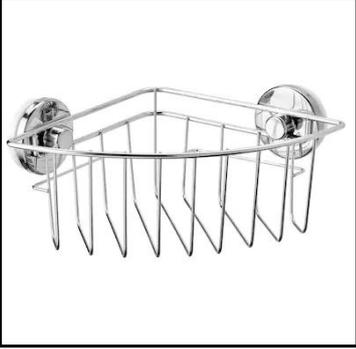
<p>7. Bathroom Products</p>	 <p>Corner Shelf</p>	<ul style="list-style-type: none"> <li>• Can be hung at the corner of the bedroom</li> <li>• Spacious</li> <li>• Doesn't rust as it is made from aluminium</li> </ul>
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Table 2.0 Product and services

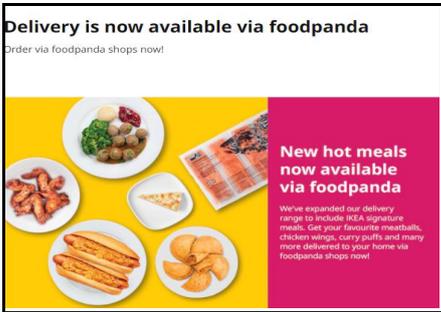
### 2.3.1 Other services

- Warranty

IKEA provided a warranty on their product. The guarantees start on the day of purchase. If any of the customer's purchases were broken or anything happened, they can get a replacement and claim from the nearby stores. They just need to show the original purchase receipt as proof of purchase. Different types of products have different duration of the guarantee.

- Delivery

IKEA products are also available for delivery to the customers. For example, the furniture, bed, and mattresses. Customers could buy the product either in-store or via online purchase. Besides, IKEA foods and beverages are also open at all stores for delivery via BungkusIt and Foodpanda, especially during this pandemic.

<p>Foodpanda</p>	
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- Restaurants

Restaurant, Bistros, Swedish Food Markets, and Cafe in IKEA allows the purchase of foods via takeaway, order & collect and dine-in in the store.

<p><b>IKEA Food Order &amp; Collect</b></p>	 <p><b>IKEA Food Order &amp; Collect</b></p> <p><b>Step 1:</b> Send your order to the following Whatsapp numbers during the following operation hours:</p> <p><b>Click on the number to order:</b>      Damansara: 017 235 7261 from 10am – 7.30pm.      Cheras: 016 973 1649 from 10am – 7.30pm.      Tebrau: 016 239 1283 from 10am – 7.30pm.      Batu Kawan: 016 221 0028 from 10am – 7.30pm.</p> <p><b>Step 2:</b> You may pick up your order at the following locations within 30 minutes after order is placed.</p> <p>Damansara: Bistro, Level G.      Cheras: IKEA Bistro Kiosk, Level B1.      Tebrau: Grab and Go Kiosk, P1 parking.      Batu Kawan: Taxi stand/Bistro Kiosk, P2 parking.</p> <p><b>Step 3:</b> Choose to pay your order by cash, credit card or debit card at Damansara, Cheras and Batu Kawan stores. For Tebrau store, only cash payment option is available.</p> <p><b>Place your order today!</b></p>
<p><b>IKEA Restaurant</b></p>	<p>Some of the foods that are being served:</p> 

- **Outlet**  
 IKEA has 445 stores located in many countries which enables customers to buy the product. The areas served are Europe, Middle East, North Africa, East Asia, South Asia, Southeast Asia, Oceania and North America.



Table 2.1 Other services

## 2.4 Technology

The latest invention from the retail giant is a fresh twist on an old problem that has many shoppers stumped when it comes to finding the right furnishings for their homes. Aside from that, IKEA offers an augmented reality (AR) component to their mobile application, which is the pure-play online retailer MADE.com, where it can superimpose a 3D modeled piece of their furniture into the viewfinder of customers' smartphones' cameras. IKEA was so impressed with Geomagical Lab's technology that they purchased the company.

Because many IKEA stores are currently closed due to the pandemic coronavirus, Geomagical Labs technology allows buyers to refine their home ideas while the stores are closed, and then order furniture that is delivered without touching it. They have developed a new technique that uses AI to analyze a sequence of panoramic images from the customer's phone to generate a 3D virtual copy of a room. Customers can use the 3D models to see the room in photographic detail, modify arrangements, and try out other models.

Aside from that, the firm has chosen a user-centric approach to the use of its customers' data, in keeping with the IKEA customer data promise, which is founded on respect for individuals and their privacy. As a result, any images used in conjunction with the new room design capabilities can be saved, reduced to only data components, or completely removed.

## 2.5 Business, marketing, operational strategy

### 2.5.1 Business Strategy

#### 1) Offering the reasonable prices

Cost-efficiency is a solid foundation for IKEA's competitive edge. The worldwide furniture distributor is able to offer low prices much appreciated to a combination of economies of scale and technology integration into different commerce forms.

#### 2) Increasing variety of products.

A wide range of products is also included in IKEA's list of competitive advantages. The IKEA portfolio comprises 9,500 products and the company renews its product line by launching around 2,500 new products every year. The company is additionally expanding its nearness in nourishment and catering businesses.

#### 3) International market expansion strategy.

The renovation and furnishing line has traditionally engaged aggressively in the development of new markets. IKEA gathers 422 stores in 50 markets around the world. 19 modern IKEA stores opened in 2018 alone. Additionally, IKEA has 22 Pick-up and Arrange Focuses in 11 countries, 41 shopping malls in 15 countries and 38 transportation locations in 18 countries.

#### 4) Leverage strategic alliances.

Experience and skill in forming strategic alliances can be defined as one of IKEA's most important competitive benefits. The list of the foremost effective collaborations

incorporate organization with Apple to investigate the conceivable outcomes of Expanded Reality As a device for home-furnishing, organization with LEGO for modern item advancement and association with Adidas in information sharing approximately client behaviour.

## 2.5.2 Marketing strategy

### 2.5.2.1 Pricing

Reasonableness is a portion of the offering suggestion of the company. It is additionally critical to highlight the truth that it targets the mass showcase to capitalize on mass consumer culture. Based on the costs of its items, it utilizes a blend of penetration pricing techniques, cost authority, value-based pricing, and cost-plus estimating technique.

The best competitors of IKEA incorporate Groupe SEB, Ashley Furniture Businesses, Walmart, Bed Shower & Past, Amazon, Target, Dock 1 Imports, and Wayfair. Moreover, the Swedish aggregate too competes with nearby furniture creators and smaller ones. To preserve a competitive advantage, the company must make its items as reasonable as conceivable besides staying genuine to its special offering recommendation. The company at first built on an infiltration estimating technique to permit it to enter an advertisement and pick up showcase shares.

The company did not raise the costs of its items significantly. Instep, it created capabilities required to lower costs related to fabricating, operations, and client procurement. In addition, the company coordinates other estimating considerations that rotate around value-based estimating and cost-plus estimating techniques to assist its interesting offering recommendation. Since the company is presently the biggest furniture retailer within the world, it presently includes a cost authority advantage that permits it to decide costs within the advertisement.

### 2.5.2.2 Place

There are more than 440 IKEA retail stores across the globe. In Sweden alone, there are 52 retail stores while more than 270 stores operate in the entire Europe. There are 52 stores in the United States and 35 in China. The largest store is located in the Philippines. The company also plans to expand further in South America and Southeast Asia.

Reaching the mass market too implies deciding and utilizing the foremost successful and effective dispersion channels. All things considered, the situation or dispersion technique of IKEA on a very basic level centers on worldwide retail operations. This operation has empowered the company to reach worldwide clients. It is curious that its retail stores ordinarily involve huge floor zones to exhibit the aggregate of its item offerings. Moreover, in expansion, these stores are either found in exterior cities or within city centers to create them moderately open to the public.

Retail operations require legitimate warehousing. Full-size stores have coordinated stockrooms. In any case, in cities with constrained arrival ranges such as Hong Kong, the company worked a few stores whereas keeping up a central stockroom in another area. IKEA executes an assortment of store plans and contemplations depending on the topography of a specific area. For illustration, in a few nations with constrained arrival regions and arranging limitations, retail stores serve as show

exhibitions and give pick-up administrations in which clients would need to make in-store or online reservations.

#### 2.5.2.3 Promotion by Social media

IKEA employs an assortment of limited-time strategies to advance its brand. The most special and most fruitful among the apparatuses utilized by IKEA to advance its brand is the limited time catalogs. These catalogs of IKEA items are printed in several dialects and distinctive catalogs are served to different markets. Apart from interesting domestic outfitting thoughts, there are genuine life stories and a wide range of items showcased through the hundreds of pages of the catalog. The catalog is accessible both in print and online. Apart from that an amplified form of the catalog is accessible within the IKEA app. The IKEA websites, distributions, brochures, publicizing, and open connection campaigns are too utilized for the advancement of the brand.

IKEA uses both traditional and digital channels to advertise and promote its brand. It has utilized social media to pull in and lock in clients. Isolated nation pages are utilized to lock in clients on Facebook. Pinterest, Twitter, Google, and other social media channels are moreover utilized by the brand to advance itself. From time to time, it employs well planned open-air campaigns for advancement. Presently, IKEA is utilizing augmented reality to assist customers to get a better involvement of how well IKEA items fit into their homes and lives.

#### 2.5.2.4 Promotion by Brand Promoters

When IKEA began growing to abroad markets, it investigated to discover the reason. The reason was that people's taste, fashion, and inclinations shifted from advertising to showcase and culture to culture. So, IKEA chose to bring changes to its products and marketing techniques procedures, and adjust them to the local markets. It considered neighborhood societies and their favored styles, sometimes recently presenting items in unused markets, after which its items began offering and developing well. From product designs to its catalogs all are created keeping nearby culture and tastes at the center.

#### 2.5.3 Operational strategy

IKEA's goal is to give an assorted determination of home decorations with great plan and capacity, sublime quality and sturdiness, and modest estimating that most individuals can afford to buy. The progressive idea of originator Ingvar Kamprad was to make usable furniture that was basic and reasonable to build, get it dismantled at shops, and display it on the display area floor with full informative labels, eliminating the requirement for salesman help.

IKEA utilizes an alternate business approach than its rivals. IKEA's operations must deal with big numbers because its items are very repeatable and specialized. As they offer, the scope of things the association needs to produce is low to medium.

The performance objectives related to quality, speed, dependability, flexibility, and cost, all of which affect the adequacy of different systems, either straightforwardly or by implication.

These are the operational strategies from IKEA which are Long-term, Sustainable Relationships with Suppliers. A continuous flow of supply and stable prices, which help minimise inventory management expenses in the long term. Following that,

there's Do-It-Yourself Assembly and Flat Packaging. IKEA assembly reduces packing, inventory

ordering, and administration expenses. Then comes the Cost-per-Touch Inventory Strategy. IKEA has a cost-per-touch inventory approach, which encourages consumers to choose goods in-store and take them to the checkout themselves, rather than having employees fetch them for them. Furthermore, Optimal Material Usage in Product Manufacturing. IKEA manufactures items with as few materials as possible, which results in cheaper transportation expenses as well as lower product handling and shipment costs. Finally, there are Min/Max Inventory Replenishment Options. The inventory management system responds to reorder points within the inventory, establishing precise reordering triggers for the minimum items available before reordering as well as the maximum amount of a certain product to be purchased.

### 3. PRODUCT ANALYSIS

#### 3.1 SWOT

SWOT (strengths, weaknesses, opportunities, and threats) analysis is used in the evaluation and development of a strategic planning framework to assess a product's competitive position. Furthermore, in order to be a valid reference, this analysis is made accurately, without any biases, and solely on real-life situations. I've identified the product's SWOT analysis.

<u>STRENGTHS</u>	<u>WEAKNESS</u>
<ul style="list-style-type: none"> <li>● Multirack</li> <li>● Simple, modern and minimalise</li> <li>● High quality</li> </ul>	<ul style="list-style-type: none"> <li>● Only available in a single size</li> <li>● Fewer colour options</li> <li>● Staining the floor or balcony</li> <li>● Potential to increase the rate of mosquito breeding</li> </ul>
<u>OPPORTUNITIES</u>	<u>THREATS</u>
<ul style="list-style-type: none"> <li>● Implement new functions and innovate</li> <li>● Suitable for a variety of house styles</li> <li>● New colour and design</li> </ul>	<ul style="list-style-type: none"> <li>● It is simple to imitate</li> <li>● Compete with current and emerging products on the market</li> <li>● A new company with a high competition.</li> </ul>

Table 3.0 SWOT Analysis

##### 3.1.1 Strength

There are numerous strengths of these products that have been investigated. For starters, it has multiple racks and can be used for anything other than plants. This is due to its ability to support a weight of 10 kg. As a result, users can place whatever they want, including any type of plant they want. This rack also has different depths, which means users have space for everything from trinkets to books, and this open rack provides an easy overview and easy research, especially when it comes to placing plants and other items. As

we all know, IKEA sells a variety of home products to well-known and valued customers. It is also known for its modernist designs for various appliances and furniture, and its interior design work is frequently associated with an eco-friendly simplicity.

Aside from that, the design for this rack is by Jon Karrlsson, and it is simple, modern, and minimal. It is appropriate for many people to place it at their home, either indoors or outdoors. The design is simple, and consumers can easily install the rack by following the instructions provided. It is a minimalist rack that would be ideal for a small apartment, condominium, or any other type of home. Because of the product's dimensions of 60cm width, 35cm depth, and 148cm height, it is referred to as simple, modern, and minimal. It is very easy to install and also comes in a smaller size.

Furthermore, it is of high quality. Steel, epoxy, or polyester powder coating is used to make the rack. It is also simple to clean by wiping with a dampened cloth dampened in a mild cleaner and wiping dry with a clean cloth. Despite being made of steel, it weighs only 5.80 kg. This is why it is simple to set up. This rack can also be mounted on the wall. Pre-drilled holes make it simple to secure the rack to the wall, preventing it from tipping over if a child climbs or hangs on it. When mounting it on the wall, users must secure the devices because different wall materials necessitate different types.

### 3.1.2 Weakness

Eventhough the rack have many strengths, there are also some weakness in the product. First, the rack is only available in single size. This is because easy for users to know and measure their space that they will used. In this era, many people who worked at the urban city will stay at flat, apartment, and condominium. Besides, this rack has fewer colour options which users have their limitation in decorate their home.

Furthermore, water can easily drip and stain the user's balcony and floor. For city dwellers, particularly those living in apartment buildings and condominiums with limited space. This is because a small space in the house must be made available for the planting of trees, either ornamental or herbaceous.

Next, if the water is stagnant and the balcony or floor is dirty, it has the ability to increase the rate of mosquito breeding. Furthermore, some apartment and condominium residents enjoy farming or planting but are unable to do so due to limited space. They also require a good shelf or rack that is appropriate for their small living space.

### 3.1.3 Opportunities

Even though they have some weaknesses, the rack has a few opportunities for them to seize. Implementing new functions and innovating is an opportunity that they should take advantage of. When IKEA incorporates new functions and innovates, it will be able to compete with others who are hesitant to implement new functions. IKEA Company's rack can maintain their position and increase sales by exploring new functions and innovations.

Furthermore, global expansion opens new doors and gives access to a whole new group of consumers who have never seen the product before. This is due to its suitability for a wide range of house styles. Furthermore, if the company produces the product in a more designable manner, it ensures that the customer will be more attracted to the product and changes the colour of the product to a more suitable one with the environment and can become a decorative item at home, it will broaden the target user that will purchase it.

### 3.1.4 Threats

However, because of the simple design, other companies can easily imitate the products. Other threats are easily duplicated by other companies. Other companies may be able to easily imitate innovation or new technology in the improvement of rack products. Once they have no idea how to improve their own product, they may seek out other people's ideas and improve on them. Not only can competitors try to mimic product innovation, but they can also try to mimic how this company seems to do marketing and strategy planning. If they can improve their product in comparison to IKEA's products, it is possible that faithful IKEA customers will switch to them.

Aside from that, IKEA will compete with current and emerging products on the market. Competitors in the same industries that make furniture pose a potential threat to IKEA products. There are several companies that offers a similar product as them. This scenario will increase competition between existing industries in terms of product pricing or marketing strategy. Perhaps another company provides a cheaper price than IKEA Company, causing customers to prefer products with the lowest price or the marketing strategy of their product to be more appealing in comparison to this product.

Furthermore, a new company with a high level of competition, such as a furniture company, can seriously disrupt product marketing by producing a product that is simply similar to an IKEA rack and has nearly the same compartment or even a more upgraded internal. This has become a threat to the IKEA company because the companies compete on the same platform.

## 4. FINDINGS AND DISCUSSION

### 4.1 Findings

This rack is only available in a single size. The users are hard to adjust the length of the racks. As we know that IKEA is provided simple, modern and minimalist style for home but this rack does not fully equipped for those who want to plant trees. Other than that, the rack has few options in colours.

Furthermore, the balcony floor will become dirty, and the floor will need to be cleaned each time the tree is watered. Many enthusiasts and tree growers become disinterested in caring for their crops as a result of this. As a result, if users live on the 16th floor of a building, they must take care to provide a suitable floor with drainage. As a result, the cost of installing a suitable floor is also incurred.

Next, it is quite concerning if the user uses a pot with a pot liner because it may increase the rate of mosquito breeding in the user's planting space. It takes time for the user to clean the vase liner. This is due to the fact that when users plant trees in multiple pots, they are already wasting time removing water from each of the pot liners (2018).

### 4.2 Discussion

To address these issues, the company should look for a suitable length measurement that can be used as an extension for the rack. Users can easily adjust the length of the racks. It can also be made in a variety of sizes based on the measurements

desired by the user. It is useful for city dwellers who want to use the rack to display their plants or for other purposes. Aside from that, the company should expand its colour palette. As a result, users have a wide range of options from which to choose the best for their home decoration.

Aside from that, in order to solve the problems, this rack will introduce new functions and innovations that will be beneficial to plant racks. Following that, this rack includes a handy water reservoir system that allows users to clean and dispose of tree irrigation water. It saves users time cleaning up the balcony and the floor. Furthermore, the water can be easily disposed of by the user. It also comes in a variety of sizes, is made of high-quality materials, and is simple to install.

According to a press release issued on June 8, 2020 by the Director General of Health, Datuk Dr. Noor Hisham Abdullah, there have been 48,584 cases of dengue fever reported from January 2020 to June 6, 2020. It was also discovered that dengue fever cases began to show a continuous increasing trend, with an average weekly increase of 8%. 84 dengue deaths were reported during the same period in 2020, compared to 83 cases in 2019 (Sobri, 2021). In reality, it can prevent or minimize mosquito breeding in the home. Furthermore, users can place the abate mosquito from the reservoir container to prevent mosquito breeding. This rack, Besides, is fully equipped with a reservoir water rate sensor, which alerts users to the amount of water available in the reservoir container.

## **RECOMMENDATION AND IMPROVEMENT**

Based on SWOT analysis, product of IKEA which is plants rack have many advantages also some disadvantages. First problems of the rack is the only single size that available. As a result, the user will need to measure and identify the best location for the shelf. As a result, each shelf will include an iron rod to allow users to easily adjust the length of the shelf they desire. Certain clips on the iron used to adjust the length of the shelf will make it easier for users to equalise the length of the shelf.

Moreover, the shelf will be available in more than three colours, including dark grey, white, yellow, black, dark green, and beige. Colors can be chosen to match the decor of the customer's home. This is due to the fact that the choice of colour is the most important factor in determining the brightness of a home.

This shelf will be equipped with a container reservoir capable of storing excess irrigation water to avoid a dirty balcony and house floor. This is due to the fact that it allows users to save time cleaning the balcony and house floor. One section will serve as a water reservoir, and each shelf will have water drainage to allow water to flow directly into the reservoir. Furthermore, if not used as a tree shelf, the shelf can be used as a shelf for food, goods, or home interior decoration, and each part or container of the water reservoir can be used to store other items. As a result, this shelf retains its former ability to be a variety of shelves.

With the availability of water reservoirs, users can prevent mosquito breeding, particularly aedes mosquito breeding, from increasing. Likewise, the water reservoir is simple for users to drain and clean, with water drainage under each shelf. The water reservoir also has a water level detector located in the reservoir container. This allows users to see the reservoir's water level from full to empty, and as a precaution, users can put abate powder in the reservoir water container to prevent mosquito breeding.

### 5.1 Method producing plants rack

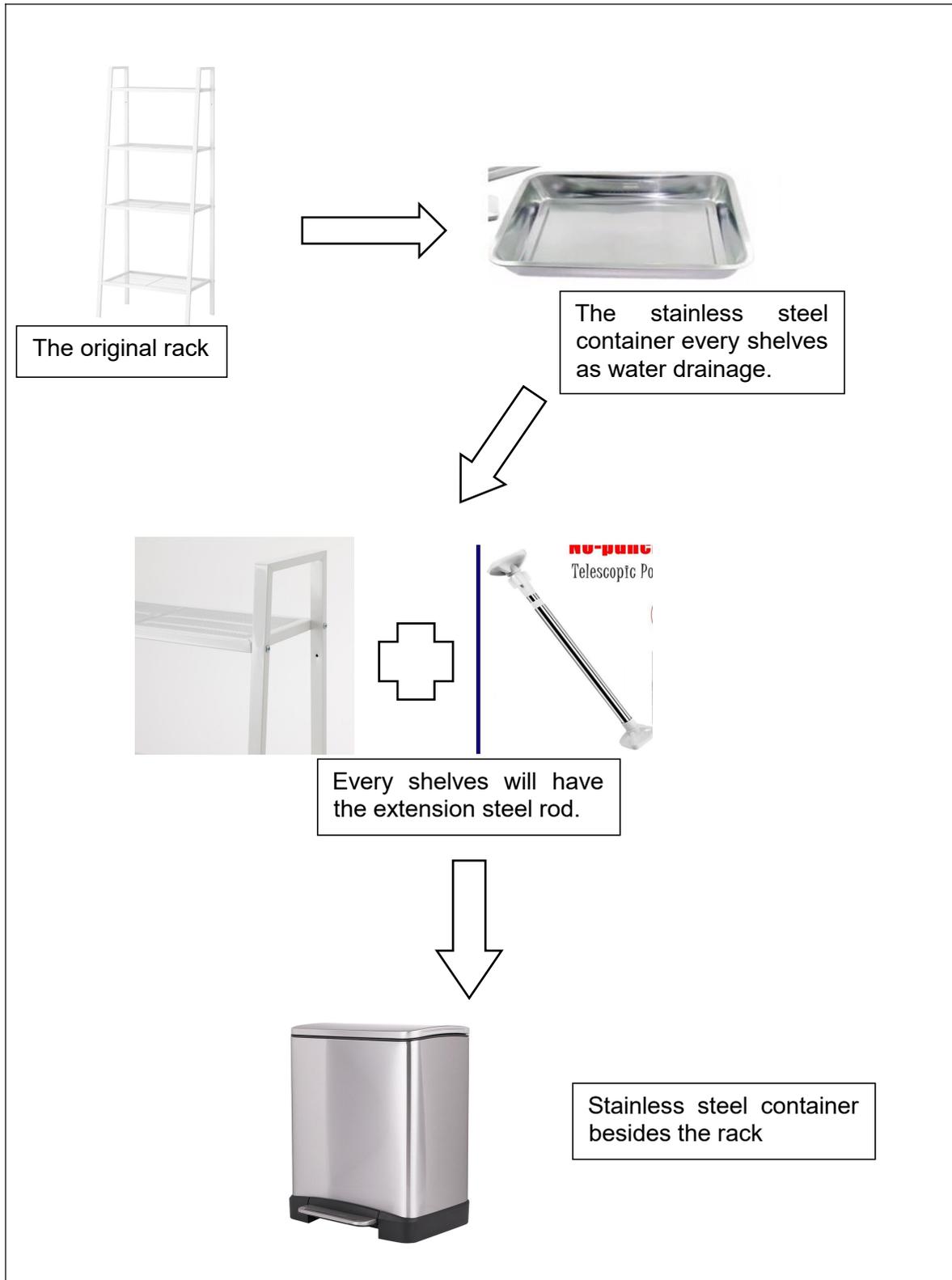


Table 4.0 Method Produce Product

## CONCLUSION

To summarise this study, the use of a plant rack can help users beautify their home while also serving as a multi-purpose rack. Users can save time cleaning their floors and balconies by using this solution, which comes in a variety of colours to suit the user's preferences. This rack also includes a convenient water reservoir system that allows users to clean and dispose of tree irrigation water. It saves users time cleaning up the balcony and the floor, and it also places the rack with appropriate colours based on the users' preferences.

Furthermore, the user can easily dispose of the water. It is also available in a variety of sizes, is made of high-quality materials, and is easy to install. This may assist people in maintaining a green environment at home. As a result, this product will ensure that the IKEA Company stays one step ahead of their competitors while also increasing their sales.

## REFERENCES

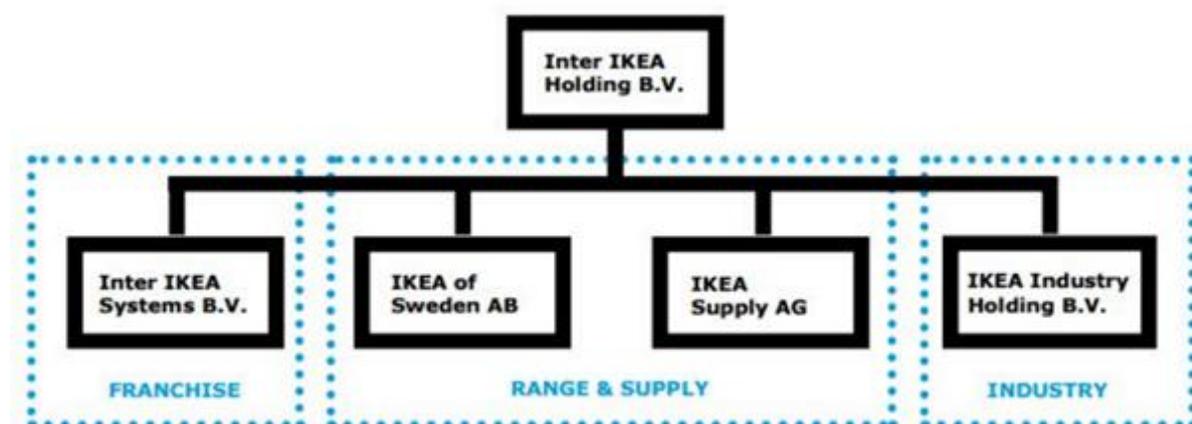
D.E.C.O.T.U.M.A.H.C.A.N.T.I.K. (2018, August 5). *Facebook - Meld je aan of registreer je.*

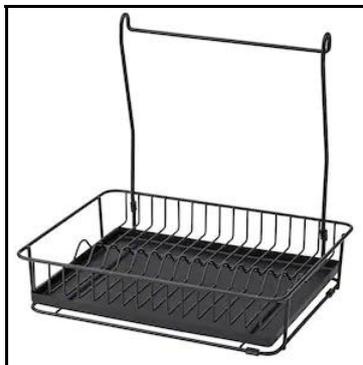
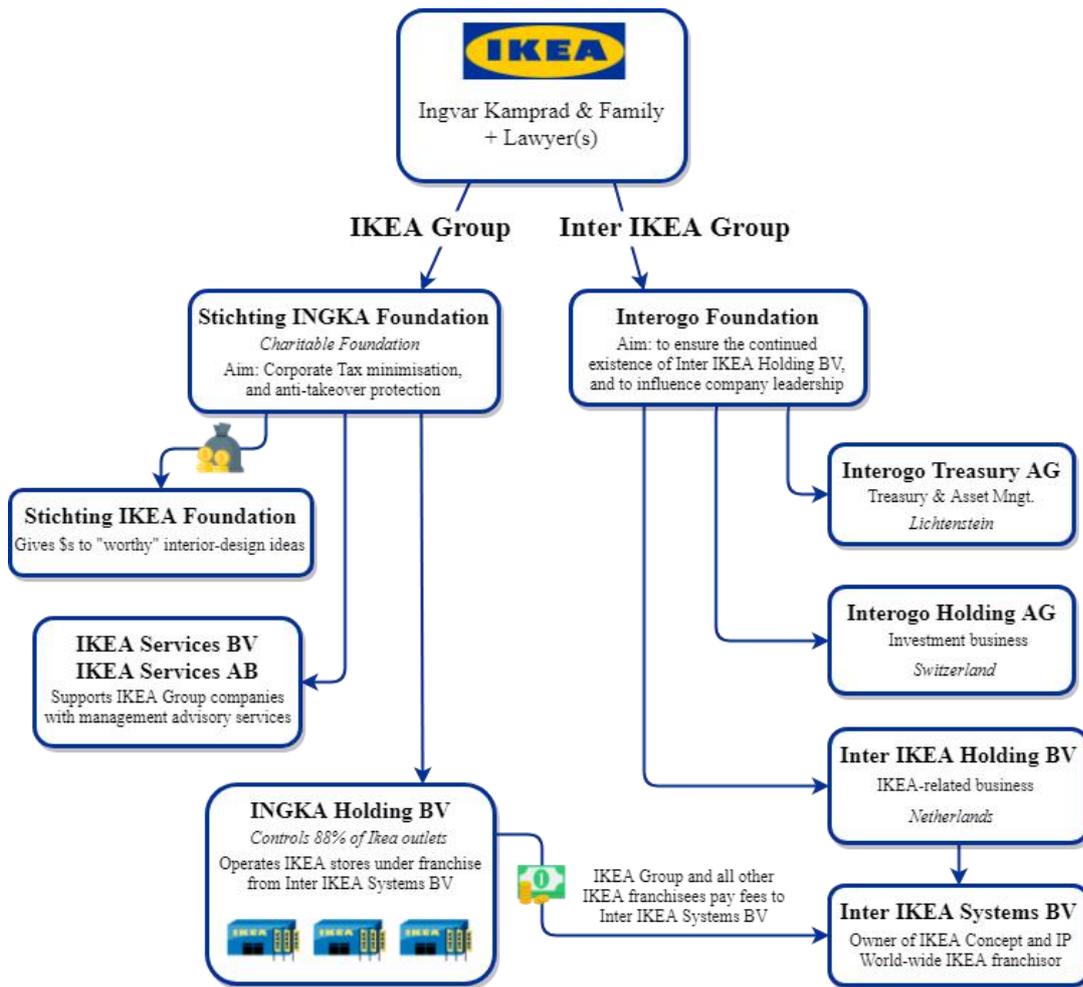
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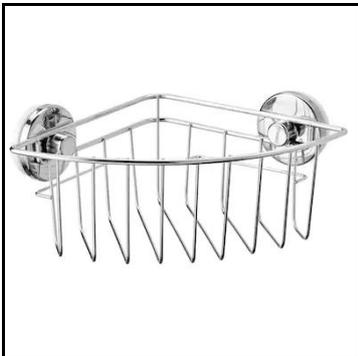
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## APPENDICES







**Delivery is now available via foodpanda**  
Order via foodpanda shops now!

**New hot meals now available via foodpanda**

We've expanded our delivery range to include IKEA signature meals. Get your favourite meatballs, chicken wings, curry puffs and many more delivered to your home via foodpanda shops now!



### IKEA Food Order & Collect

**Step 1:** Send your order to the following Whatsapp numbers during the following operation hours:

**Click on the number to order:**  
 Damansara: 017 235 7261 from 10am – 7.30pm.  
 Cheras: 016 973 1649 from 10am – 7.30pm.  
 Tebrau: 016 239 1283 from 10am – 7.30pm.  
 Batu Kawan: 016 221 0028 from 10am – 7.30pm.

**Step 2:** You may pick up your order at the following locations within 30 minutes after order is placed.

Damansara: Bistro, Level G.  
 Cheras: IKEA Bistro Kiosk, Level B1.  
 Tebrau: Grab and Go Kiosk, P1 parking.  
 Batu Kawan: Taxi stand/Bistro Kiosk, P2 parking.

**Step 3:** Choose to pay your order by cash, credit card or debit card at Damansara, Cheras and Batu Kawan stores. For Tebrau store, only cash payment option is available.

**Place your order today!**



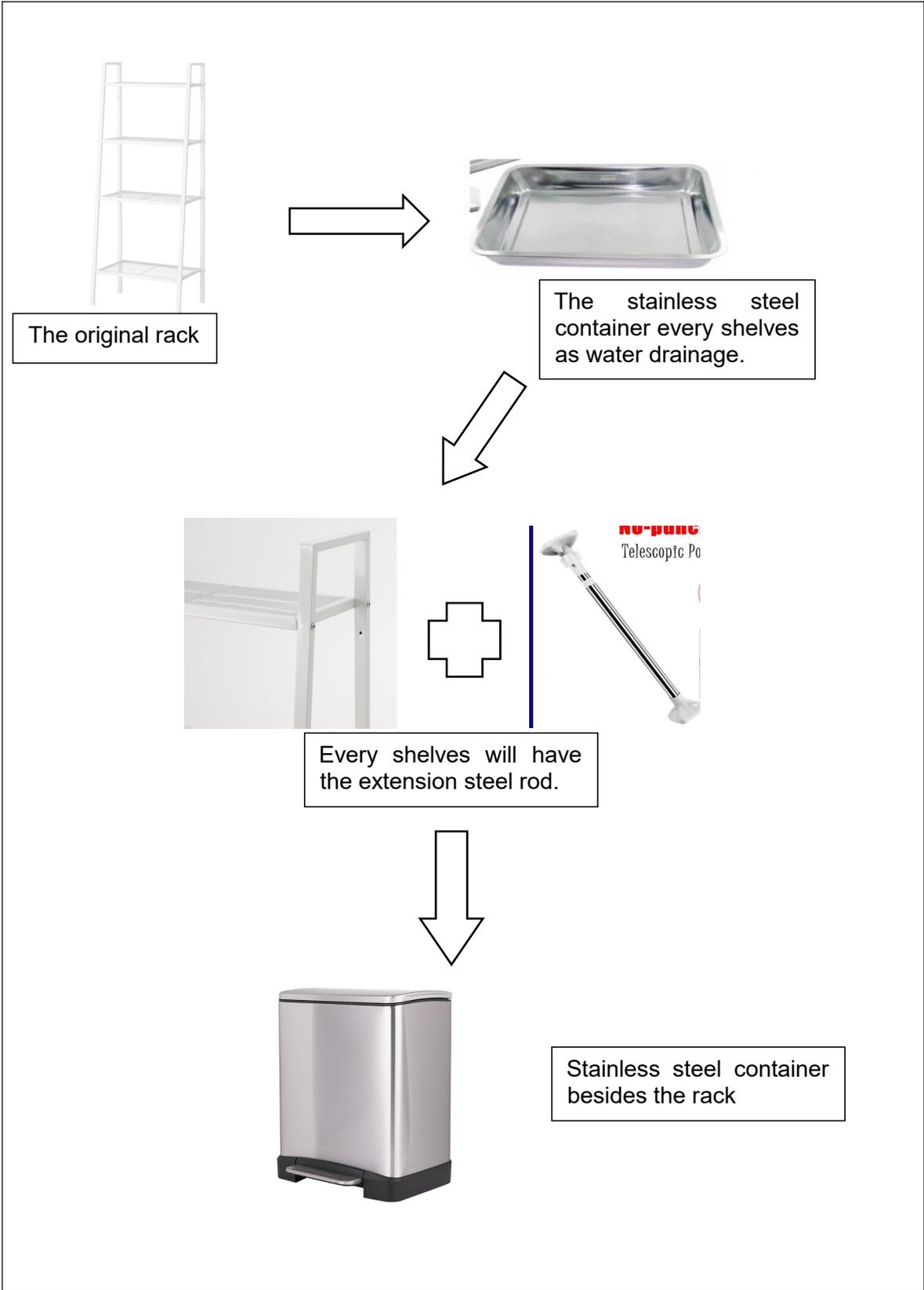


Table 4.0 Method Produce Product