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UNIVERSITI
TEKNOLOGI
MARA



COMPANY ANALYSIS

IKEA

TECHNOLOGY ENTREPRENEURSHIP (ENT600) : CASE STUDY

FACULTY & PROGRAMME : FSKM & CS248

SEMESTER : 6

PROJECT TITLE : 2 IN 1 CLOTHES RACK

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EXECUTIVE SUMMARY

The purpose of this report was to look at one of IKEA's products, a clothes rack, and make some suggestions for its continued success. Besides, External analysis (Strength, Weakness, Opportunity, Threat analysis), internal analysis (product analysis and determinants of strategic options and also solution), and analysis of strategic outputs are among the methods used in the report.

IKEA is a company that sells a wide range of well-designed, functional home furnishings at such low prices that as many people as possible can afford them. Furthermore, they share a passion for home furnishings and an inspiring shared vision: to make everyday life better for many people. As a result, the report addresses the following recommendations to resolve its product evolve, product improvement, and product solution of clothes rack :

- The product SWOT analysis
- Clothes rack weakness and finding
- The product recommendation and improvement
- New solution for the product to evolve into new innovation of the future product

1.0 INTRODUCTION

1.1 Background Of The Study

IKEA is a well-known brand. Since 2008, it has been the world's largest furniture retailer. Additionally, the company is well-known for its modernist designs for a variety of home furnishings and appliances, and its interior design work is frequently associated with a sense of eco-friendliness. IKEA has reduced its prices by an average of two to three percent through cost control, operational efficiencies, and continuous product development.

IKEA sells a diverse range of products. Among the items on the list is a clothes drying rack. In this study, clothes racks will be used as an innovative product. Clothing items such as t-shirts, pants, and other articles of clothing are frequently hung from a rack.

The study's goal is to create some innovation and bring out the common issue in the product while also analysing the product in various ways so that we can make some improvements and innovations to it. And if there is a problem, the company can gain more experience and improve itself in order to be competitive in this field and provide good service with few problems to all customers. A successful business is more efficient and productive. As a result of the high quality, the consumer will be drawn to the company because it meets their needs.

1.2 Problem Statement

Numerous types of closets and clothing racks have been introduced to the market in recent years. Some are fashionable, classic, or retro, while others are determined by consumer preferences and other factors such as age, market area, and so on since each and every person desires a clothes rack. However, some people prefer to store their clothes in closets rather than on clothes racks. Using a closet creates a more spacious and organised space than a clothes rack and clothes rack is suitable for single use only.

Lastly, the problem that has been identified mainly results from the development of the product, which needs to be improved into a high-technology product so that we can attract customers to buy and stay for an extended period of time until the improvement and more innovation occur through the company's next product release.

1.3 Purpose Of The Study

Therefore, this is the aim of this study. This case study is to look at the company's product, which is a clothes rack, in terms of its strengths, weaknesses, opportunities and threats, and to develop an innovative product to solve its problems.

This research aims to reinvent the rack by incorporating a closet into it. Additionally, because IKEA offers a diverse range of products, this study will focus on a clothes rack. It will benefit consumers, as well as IKEA and its suppliers. Consumers can utilise the product to assist them in organising their clothing, while IKEA and their supplier can increase their revenue.

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. 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-up and collection points.

2.2 Organizational Structure

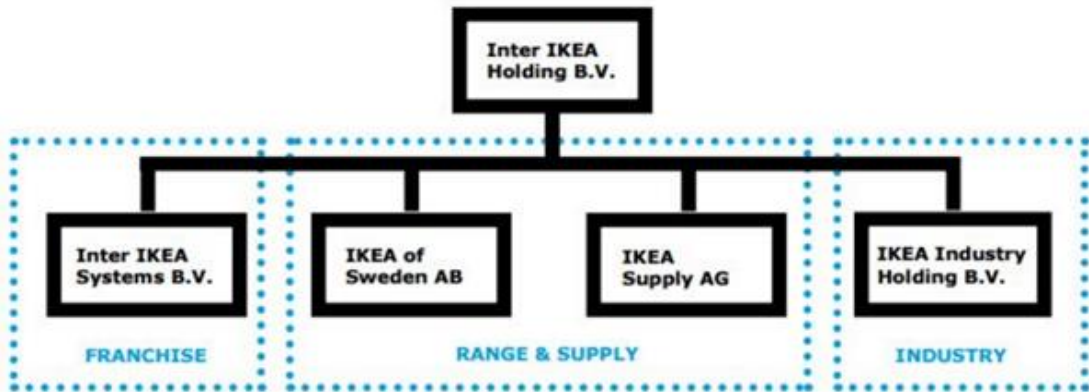


Figure 2.1 : IKEA organizational structure

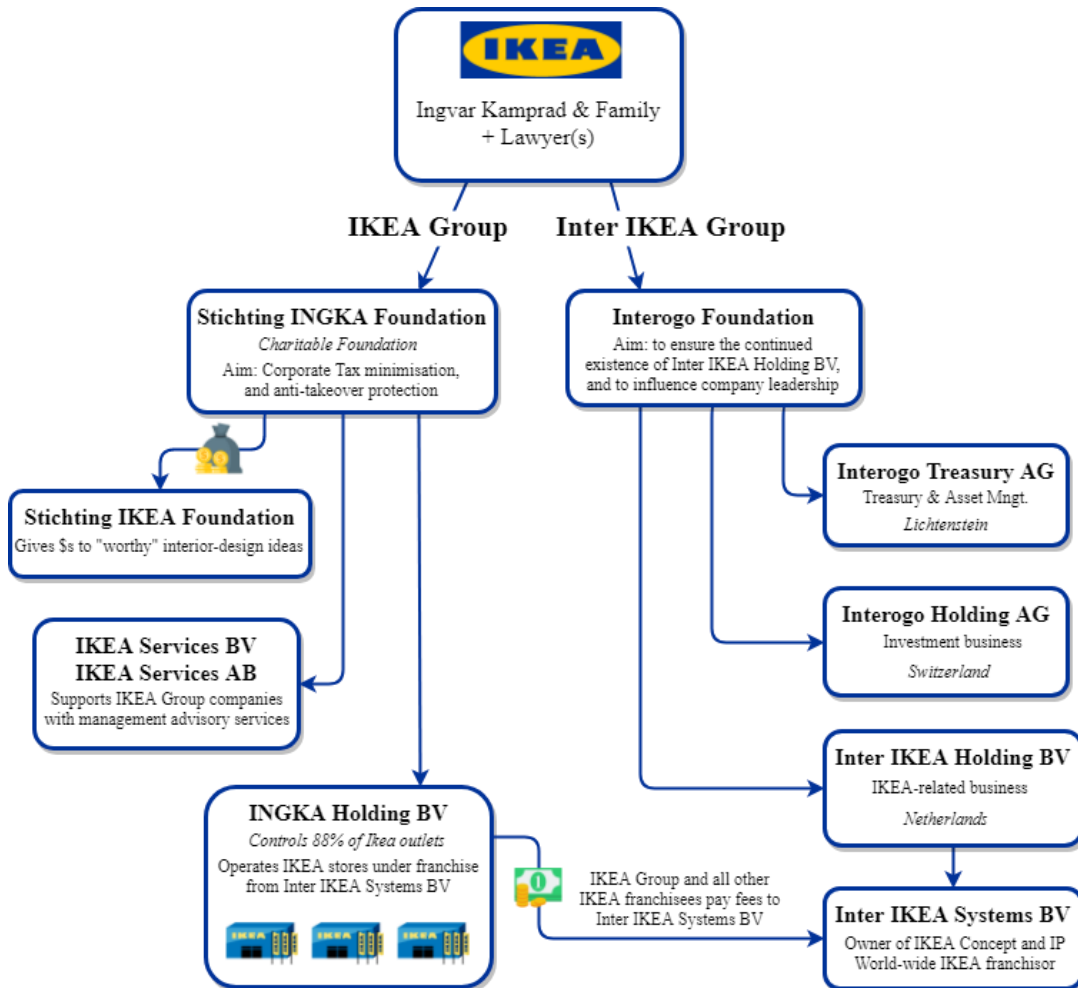









Figure 2.2 : IKEA organizational structure

2.3 Products/Services

2.3.1 Products and Services

IKEA contains about more than 20 types of products and services which consists 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="678 1108 834 1137">Micke Desk</p>	<ul data-bbox="1034 741 1401 842" style="list-style-type: none"> • Spacious study desk • Available for other colors • Can easily move
2. Kitchen & Appliances	 <p data-bbox="678 1505 834 1534">Dish Drainer</p>	<ul data-bbox="1034 1144 1401 1245" style="list-style-type: none"> • Can be hang anywhere • Has water tray • Available for other colors
3. Beds & Mattresses	 <p data-bbox="533 1953 979 2020">Gursken Bedroom Furniture set of 5</p>	<ul data-bbox="1034 1547 1401 1709" style="list-style-type: none"> • Available for other colors • Set of 5-bedroom furniture • Durable wood and high quality plastics

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


7. Bathroom Products	 <p style="text-align: center;">Corner Shelf</p>	<ul style="list-style-type: none"> • Can be hang at the corner of bedroom • Spacious • Doesn't rust as it is made from aluminium
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Table 2.3 : IKEA product

2.3.2 Other services

- Warranty

IKEA provided the warranty to 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 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 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 also open at all stores for delivery via BungkusIt and Foodpanda especially during this pandemic.

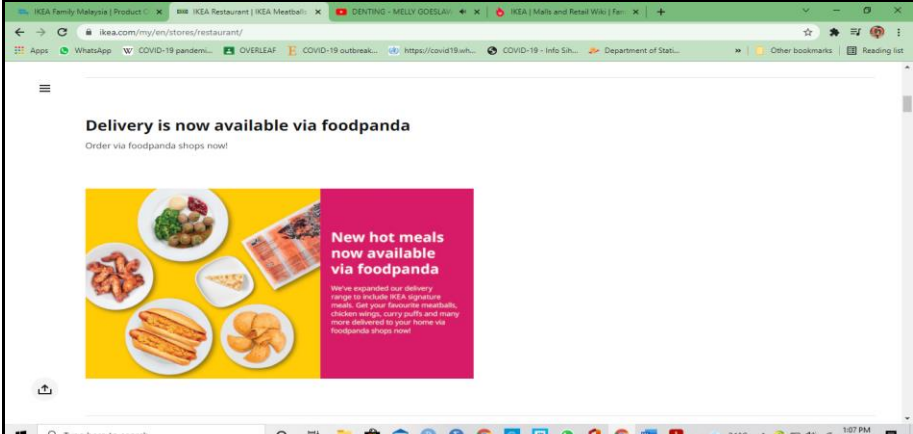
Foodpanda	
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Table 2.4 : IKEA provided delivery

- 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>IKEA Food Order & Collect</p>	
<p>IKEA Restaurant</p>	<p>Some of the foods that are being served:</p>

Table 2.5 : IKEA restaurants

- 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.



Figure 2.6 : IKEA outlets

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 gather works 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

- 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.

IKEA is not the as it were furniture producer in a specific geographic advertise. 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 share.

The company did not raise the costs of its items significantly. Instead, 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 support 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.

- 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 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 coordinates 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.

- Promotion by Social media

IKEA employments 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 different markets. Apart from interesting domestic outfitting thoughts, there are genuine life stories and a wide extend 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 moreover employments 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.

- 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 taking after which its items began offering and developing well known. 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.

3.0 PRODUCT ANALYSIS

3.1 SWOT

The SWOT Analysis shows the strength, weakness, opportunity and threats of user – friendly clothes rack (IKEA).

Strengths	Weakness
<ul style="list-style-type: none"> • Simple • Strong and stable • Modern • User – friendly • Affordable • Easy to mobilize 	<ul style="list-style-type: none"> • Less space to hang the clothes • Some patterns do not include storage or hook • Suitable for single use only
Opportunities	Threats
<ul style="list-style-type: none"> • New development in design and function 	<ul style="list-style-type: none"> • New competitors in home market : new innovative

Table 3.1 : SWOT Analysis

3.1.1 Strengths

This product is incredibly easy to use. As a result, it is user-friendly. Consumers only need to hang their clothes on this rack using a clothes hanger. It gives their clothing an appearance of organization. Additionally, the materials used are of superior quality. As a result, the product is robust and stable. Additionally, the set prices are affordable, which results in strong market demand. Finally, some clothes racks come equipped with wheels that enable them to be moved and changed without causing damage to the floor or making it difficult for the user to adjust their position.

3.1.2 Weakness

On the other hand, clothing racks take up less space than closets. Some clothes racks are designed for a single consumer and should not be shared. This requires consumers to spend money on new racks or closets. This is where the shortcomings of clothes racks must be addressed in order to create additional space. Lastly, there are some styles and designs of clothes racks that do not include a storage, allowing consumers to hang rather than fold some of their garments.

3.1.3 Opportunities

As is well known, many people are creative when it comes to creating something. As a result, various rack types can be improved in terms of function and design. Some are more straightforward, more beautiful, appear to be more elegant, and so forth. The objective is to increase customer acquisition of new racks, thereby increasing profits. Others have created racks that can be combined with the bed to maximise available space in the room. This is unavoidable, but can be mitigated through product improvement.

3.1.4 Threats

Each business faces unique threats. Along with IKEA, many other companies have opened stores selling household goods in recent years. Examples include Ruma Home, Maison Leaf, and others. As a result, the home market is seeing an influx of new competitors with their innovative products, such as clothes racks.

4.0 FINDINGS AND DISCUSSION

4.1 Findings

Since everyone desires a clothes rack, and some prefer to use closets rather than clothes racks because a closet provides a larger, more organized space. Furthermore, because some clothes rack designs do not provide additional storage, consumers will be required to purchase a new storage unit due to the limited space available. Lastly, the clothes rack that is only suitable for single use needs to be improved for multiple users.

4.2 Discussion

Firstly, two-in-one clothes racks were introduced to address this issue. When consumers pull the board underneath the rack up above the rack, the rack transforms into a closet. This means that the entire closet is stored beneath the clothes rack. Without a doubt, the board will be made of melamine, which is significantly stronger than normal wood due to its composition of organic chemical compounds. According to Ebner, I, et.al (2020), melamine, on the other hand, is still made of wood but contains a higher proportion of deliberately engineered elements to increase its durability in comparison to the others. Melamine is lightweight due to its constituents but is far from

fragile and will stand the test of time. It's water-resistant, shatter-resistant, mold - and mildew-resistant, and customizable with an array of colour schemes. Melamine's low weight makes it easy to move around the house and fit into tight spaces.



Figure 4.1 : This is the example of product that use melamine



Figure 4.2 : The example of the 2 in 1 clothes rack in closet form

The disadvantages of using melamine and this two-in-one clothes rack are that it is quite heavy and difficult to install in closet form because the consumer must do it manually. However, to help alleviate this issue, this product includes a wheel for easy mobility and a full instruction book to serve as a guide so that the consumer knows how to install the product.

Next, because it is a closet, there will be plenty of space to store the clothes. The innovation product of clothes rack will provide hanging foldable storage to give consumers opportunities to store their clothes whether folded or hung. The hanging

foldable storage will be made from linen fabric since linen is a durable flax-based textile that is primarily used in homeware applications. While linen is similar to cotton, it is made from fibres derived from the flax plant's stems rather than the bolls that grow around cotton seeds (Newton, J. Z., 2015).



Figure 4.3 : The example of linen fabric



Figure 4.4 : The example of hanging foldable storage

As a result, it provides additional space for clothing storage and is suitable for more than one person. Depending on the consumer's preference, this hanging foldable storage can be folded into storage. To use this foldable storage unit, the consumer must pull the string above it and secure it to the hanger. Additionally, before it could be transformed into a hanging folded storage, it was a storage unit that a consumer could replace or rearrange according to their taste.



Figure 4.5 : The example of storage box

The next flaw is that some patterns lack storage or hooks. The figure below shows two clothing products with a hook and without a hook.



Figure 4.6 : With hook



Figure 4.7 : Without hook

Figures 4.5 and 4.6 depict various patterns of clothes racks. To make things easier for customers, the product should include a hook where they can hang their bag, cap, or other suitable item. Assume that the hook will turn to the right when the product is in the clothes rack and then, the hook rotates 360 degrees to the left when the product is in the closet. The suitable hook will be used as shown below.



Figure 4.8 : Depo Hook

Lastly, this product could be improved to be more modern. For example, during the process of converting clothes racks into closets, an automated system could be added. However, of course it will be costly.

5.0 RECOMMENDATION AND IMPROVEMENT CONCLUSION

As described in 4.0, one solution to this issue such as a lack of space to hang clothes and a lack of room decor is to create a two-in-one clothes rack product. At the same time, there is a clothes rack and a closet. This makes the space appear larger. Furthermore, a manual book will be provided as a guide for the consumer to install the closet form. Furthermore, accessories such as hooks, foldable hanging storage, and wheels make it easier for users.

Depo hook that can turn 360 degrees can be used in both forms: as a clothes rack and in a closet. Furthermore, foldable hanging storage that can be hung or used as a storage box allows users to mobilize their own preferences for clothing organization. Furthermore, this foldable hanging storage has 4 storage and 2 storage with drawers. If users prefer it in the form of a storage box, it comes with three of them. Users can arrange storage boxes beneath clothes racks or closets to their liking. This is sufficient to indicate that there is a lot of space available and that it can accommodate more than one user.

Then there are the wheels. It allows the user to easily change the position of the product without damaging the floor or expending a lot of energy. Furthermore, the boards used to construct the closets and the linens used to make the storage hangers are of high quality and long-lasting, making this product strong, stable, and long-lasting. In addition, the prices are very reasonable and affordable. This two-in-one product allows customers to save money while shopping and, of course, it meets all of their needs.

In conclusion, it is recommended to use 2 in 1 clothes rack since it can switch into the closets. Therefore, it will give more space to consumers. Lastly, this product provided accessories such as 360 degrees of depo hooks, foldable hanging storage, and wheels make it easier for users.

6.0 CONCLUSION

IKEA is a well-known brand that is well-known for its modernist designs for a variety of home furnishings and appliances, and its interior design work is frequently associated with an eco-friendly sense of aesthetic. Furthermore, IKEA offers a warranty on their products, as well as delivery to customers. Restaurants, Bistros, Swedish Food Markets, and Cafes in IKEA allow customers to purchase foods via takeaway, order & collect, and dine-in in the store and outlets. IKEA's business strategies include offering reasonable prices, increasing product variety, international market expansion, and leveraging strategic alliances. While their marketing strategy is pricing: reasonableness, location: more than 440 IKEA retail stores, social media promotion, and promotion by brand promoters.

The study's goal is to generate some innovation and identify common issues in the product while also analysing it in various ways so that we can make some improvements and innovations to it. Next, some people prefer to store their clothes in closets rather than on clothes racks because it creates a more spacious and organised environment. Furthermore, the clothes rack is only intended for single use. This case study will examine the company's product, a clothes rack, in terms of its strengths, weaknesses, opportunities, and threats, and will propose an innovative solution to its problems.

The weakness of clothes rack IKEA are less space to hang the clothes, some patterns do not include storage or hook and suitable for single use only. Thus, two-in-one clothes racks were introduced to address this issue. Next, the innovation product of clothes rack will provide hanging foldable storage to give consumers opportunities to store their clothes whether folded or hung. Moreover, add depo hook that can turn 360 degrees so that it can be used in both forms: as a clothes rack and in a closet. Lastly, add the wheels. It allows the user to easily change the position of the product without damaging the floor or expending a lot of energy. Of course, it also will provide a manual book as a guide to install the closet form. Lastly, it is recommended to use 2 in 1 clothes rack since it can switch into the closets and will give more space to consumers.

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8.0 APPENDICES

