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I write about great brands and their strategies.

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How IKEA Designs Its Brand Success

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[IKEA](#) is not only one of the world's most successful retailers, growing nearly 6% in its most recent fiscal year — it's also a powerful brand, ranking among [Forbes Top 50 World's Most Valuable Brands](#). [Leontyne Green Sykes](#), CMO of IKEA North America, shared IKEA's brand-building strategies at the [Hub Live conference](#) and in a follow-up one-on-one interview I conducted with her.

Her comments revealed important insights about how IKEA's unique philosophy on and approach to design informs everything the company does — including marketing — in pursuit of fulfilling its mission “to create a better everyday life for the many people.”



(Credit: DM News)

1. Start with the price tag. Sykes outlined IKEA's brand attributes including low price, sustainability, form, function, and quality, and she explained that the company aims to deliver on all five — but she acknowledged that low price was the first driver in product development. Unlike the most companies' product development process that starts with

consumer trends or competitive whitespace, IKEA starts with a target price point. Doing so “keeps us true to our commitment to providing better every day life for the many people,” Sykes said. “true innovation comes when you design quality furniture that’s affordable by everyone.”

2. Use anthropologically-based consumer insights. IKEA’s goal is to be “the leader of life at home,” so it is critical IKEA people understand what life at home is really like. They regularly visit people’s homes, observing and taking pictures, and produce a quarterly “[Life at Home](#)” report. The in-person, intimate approach to customer understanding enables them to uncover new routines, food habits, and wishes that people develop. The anthropological insights are combined with results from an online panel and other published studies into a “Data Mining Board,” a digital tool that allows a user to search the information easily and identify patterns that can be translated into stories that inform everything IKEA does.

3. Apply solution innovation to marketing. Sykes described how her marketing team applies the same approach to marketing that IKEA’s designers take to product. “The IKEA approach to storytelling, quality, and cost serves as the foundation for which we build our marketing tactics.” Pointing to its [RGB billboard in Germany](#) as an example (it features three different headlines superimposed on each other in different colors that are revealed at night when the board shines red, green, and blue lightbulbs on the board, effectively tripling the ad space), she talked about how her team looks for solutions from a media standpoint. “How do we do something that is consistent with the IKEA philosophy of effective *and* efficient?” they ask themselves.



(Credit: [threerooms.com](#))

4. Put the priority on the design, not the designer. Partnerships with designers is a popular strategy for retailers and consumer product companies these days. Perhaps most well-known at Target, these collaborations usually exploit a name-brand designer like Vivienne Tam and Lilly Pulitzer. IKEA takes a different approach. Like others, “IKEA leverages

famous designers to bring something exciting and new,” Sykes says, but they don’t usually utilize well-known designers in a deliberate strategy to promote the “purity of design instead of individual celebrity names.” And the products produced by the design collaborations become a part of IKEA’s global product range, instead of serving as limited time only offers as most other companies use them. Sykes explains that they find this approach “more exciting because it allows the true creativity and inspiration of product to come through vs. the individual.”

5. Apply a democratic corporate culture. Democratic isn’t just a design philosophy at IKEA — it’s the way the company operates. The company’s stated values include “humbleness and willpower” and “accept and delegate responsibility.” Sykes’ presentation started with an homage to Ingvar Kamprad and the book he wrote in 1976, “[The Testament of a Furniture Dealer](#),” and she confirms the non-bureaucratic culture.

Perhaps an anecdote Sykes shared sums up how the company has built such a strong brand. She relays that before she started working for IKEA, she thought it designed decorations; but once she joined the company, she discovered that what IKEA designs is solutions.

Denise Lee Yohn is a brand-building expert, speaker, and author of [What Great Brands Do](#). Visit her [site](#), sign up for her [newsletter](#) and follow her on [Twitter](#).