

# How to Shape the Brand Magnetic Field? The Generative Logic of Consumption Resonance -- Taking IKEA as an Example

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## ABSTRACT

The competition in the home furnishing market is becoming increasingly fierce. Excessive production leads to the necessity for enterprises to shift their focus from furniture manufacturing to consumers, and appropriate marketing strategies are needed to occupy the consumer market. People's income has increased significantly, and the demand for household items has gradually developed towards a more high-end and personalized direction. People choose furniture from the purchase of finished products to private customization transition, and there is a higher demand for furniture materials, environmental protection, and intelligence. Therefore, the traditional furniture manufacturing enterprises are also faced with the problem of upgrading to meet the market demand. The development of new media also impacts the furniture industry, which provides enterprises with new ideas for publicity and a platform to interact with consumers and, more importantly, promotes the prosperity of online shopping. A large number of high-quality and inexpensive decoration products on online shopping platforms make offline stores lose their competitiveness. These circumstances have formed a great challenge and threat to the traditional furniture business. In this case, the traditional furniture business needs transformation, conforms to the development trend, and strengthens the stickiness and resonance with consumers. IKEA, the market leader in the home furnishing market, has done a good job of resonating with consumers. IKEA has successfully built its brand culture, fan base, and corporate image. In this paper, IKEA's products, the layout of offline stores, and the shaping of cultural connotation will be discussed to explain how IKEA guides consumers to form recognition and maintain fans' stickiness through increasing the sense of experience and interaction. This experience will be a good reference for the rest of the market.

**Keywords:** Brand marketing, Consumer resonance, Brand magnetic field, IKEA

## 1. INTRODUCTION

As cutting-edge technology develops rapidly, an increasing number of furniture retailers enter the market due to the low production and high-profit return in the industry. Therefore, attracting the same target audience with an increase in competition in the current market is a problem worth discussing[1]. In the furniture-retailing market, offline producers face two major problems at the moment, one of which would be the problem due to the rise of new media, that the younger generation is now focusing more on online retailing markets such as eBay and Amazon. This new phenomenon poses a risk for conventional retailers such as Fendi Casa, as they

concentrate on promoting their products through offline stores. Another problem for offline retailers would be that as more people can afford high-class products due to the rise in their income, the consumer base for furniture became wider now. As a result, such a phenomenon enhanced the diversity of the consumer base and widened the gap between the rich and poor. This indicates that consumers in this market each have unique demand for furniture. For example, those who are in high-class demand expensive and luxurious furniture, which symbolizes status and power. Those who are in the middle-class or lower-class demand cheaper and cost-effective ones that only satisfy their necessity.

In such a complex market like this, how should furniture retailers carry out brand marketing?

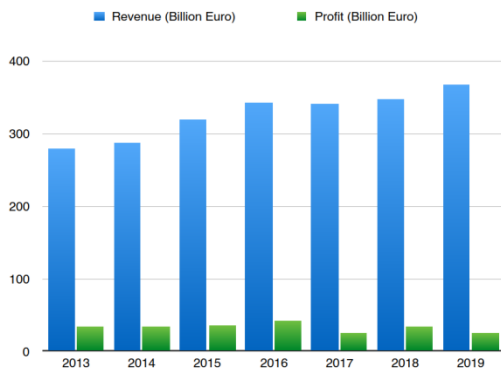


Figure 1 IKEA's Revenue and Profit from 2013 to 2019

Facing increasingly fierce competition in the furniture market, IKEA is in the leading position with its unique brand culture. The brand culture of IKEA is full of Nordic fresh and natural, simple and fashionable style, with a strong exotic style. It has always focused on the sense of user experience, and providing consumers with an immersive shopping experience is an important reason for its success. In addition, IKEA is also a brand with humanistic care. Its deep insight into urban life and social issues shows the brand's sense of social responsibility. IKEA's unique charm makes it a very attractive brand in China. With the rapid development of new media and We Media, IKEA has gradually become a famous web celebrity enterprise. Out of yearning and curiosity for foreign culture, consumers take shopping in IKEA to catch up with fashion and become fans of IKEA in China. For most consumers, shopping at IKEA is more of a cultural consumption than a material one. The popularity of IKEA can give other furniture companies and even more enterprises in the whole market some valuable inspiration. No matter whether it is the same as IKEA, it pays attention to urban life and young people interested in catching up with fashion despite limited economic conditions. It must firmly grasp consumers and enrich the brand connotation from the perspective of consumers' expectations and satisfaction for any enterprise. In the modern era of advanced Internet technology, benign interaction with consumers is the lifeblood of an enterprise.

So what difficulties are most enterprises facing in today's realistic context? Including unclear brand positioning, immature brand culture, single and problematic marketing strategies, yes, these are the problems that some enterprises are facing at the present stage. However, past studies had already done a lot of repetitive research on such issues but did not focus on the importance of consumers' empathy. The resonance of consumers is very crucial for a brand. If the corresponding consumers of a brand cannot arouse consumer resonance for the goods of a certain brand,

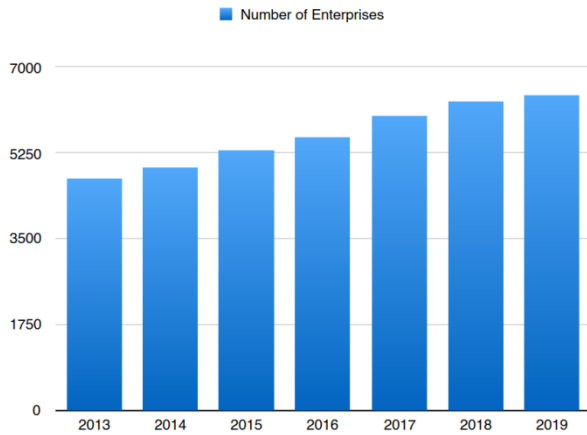
then consumers will not choose to buy the goods. Therefore, the importance of consumer resonance can be seen. This paper mainly takes IKEA as an example to analyze and discuss the marketing strategy of IKEA, including its cultural marketing, web celebrity marketing, offline experience, and analysis of the price performance of its brand to enable consumers to have a clearer understanding of themselves. The main marketing strategy of IKEA is extended to the overall market strategy. In general, this paper mainly focuses on improving the resonance of consumers through brand marketing strategies, which had not been studied in similar articles.

## 2. THE REALITY OF THE HOME MARKET

The current situation of the furniture market is complex due to several reasons. Including fierce competition in a monopolistic competition market structure, higher and more diverse consumer expectations, and consumer diversion due to the rise of new media are reasons for forming such a complex market situation. It further arouses problems for furniture retailers to resolve at the moment.

### 2.1. Fierce Competition in The Furniture Market

As the economic growth of the society rises dramatically nowadays, the improvement of people's living standards, housing, and office conditions is also unceasingly growing[2]. The furniture industry also develops from a traditional handicraft industry into an important one, which combines improving technology, art, and mechanized production. In the background of domestic high-speed economic development, living standard's steady rise, high demand in the international market, the Chinese furniture industry ushers a period of high-speed development in the past few decades. In 2016, the Chinese furniture industry had accounted for 30% of the world's furniture production. This figure indicates the huge amount of furniture production by the Chinese market. It indicates the large number of Chinese furniture producers inside this market, which further implies the huge domestic competition within the country. In addition, considering the benefit of low-cost production, high-profit return, and the increase in consumers' demand for furniture in the industry, huge crowds of furniture retailers enter the market, which further enhances the competition within this market. With the number of producers increasing faster than the number of customers inside this market, such phenomenon surely provides a wider variety of choices for the consumers, but at the same time, creates even more difficulties for both previous retailers and new retailers. How to attract customers under such pressure is a challenge to resolve[3].



**Figure 2** Number of Enterprises in Chinese Furniture Industry from 2014 to 2019

**Table 1.** Furnishing Expenditure in China in 2020

Furnishing Expenditure in China in 2020					
Category	Lower Class	Middle Class	Mid-Higher Class	High Class	Total
Furnishing Price per 3.3 Square Meter (Yuan)	<500	500-1000	1000-2000	>2000	/
Percentage	21.5%	27.8%	35.5%	15.2%	100%

**2.2. Consumers’ Different Standards**

Due to the same situation of rapid economic growth in the current society, a proportion of Chinese commuters’ income is also increasing significantly. However, the rise in income in this particular population indicates the unemployment or cut in salary in other parts of the workers due to the theory of income distribution. This new arising phenomenon indicates a widening gap between the rich and poor because the rich are earning increasingly day by day while the poor just continue remaining in poverty, which leads to a vicious cycle. However, a fair distribution of income should be considered and regulated by the government. The arising problem from this situation for furniture retailers is to produce commodities that meet the expectations of low, middle, and high-class customers differently. For example, a lower-class consumer would focus more on the price of a product, thinking about whether it is cost-effective or not, rather than just considering its appearance fits his/her taste or not. At the same time, a high-class consumer would like to buy more luxurious and expensive ones to symbolize his/her status and power while the furniture is placed inside his/her house to host the guests.

**2.3. Complex Market Situation due to New Media**

With the development of cutting-edge technology growing rapidly, Chinese society had gradually entered the internet era. New media such as Taobao had also become a dominant online platform for shopping. As Online shopping in the Chinese market had developed very mature, the scale of online shopping users in China is increasing year by year. According to CNNIC, the main reason why Chinese online shopping users choose online shopping is that such a way of consumption can be more convenient for them, as it allows them to buy commodities at home, without going out that both saves their time and cost of traveling. Another advantage of online shopping is that it also provides lower prices, wider commodity choices, and larger discounts. These advantages, which derive from online platforms, break the conventional problem of the need for quick decision-making and limited choices in the current offline shopping market. The increase in online shopping has significantly affected the revenue of offline stores. In the past decade, a large number of small and medium-sized physical stores have suffered serious customer flow loss, leading to a wide range of closures. In such circumstances, e-commerce certainly poses a risk to offline retailers.

**3. THE BRAND MARKETING STRATEGY OF IKEA**

The development of IKEA's marketing strategy is always focused on consumers. The deep insight into consumer groups is the main reason for its success. IKEA has a deep understanding of the social environment, cultural characteristics, entertainment psychology, and other factors that consumers live in. Instead of inculcating the brand concept to consumers in a blatant way, IKEA guides consumers to immerse themselves in the consumer environment created by IKEA so as to independently explore the positioning and cognition of IKEA.

**3.1. Products Are Designed and Matched to Meet Consumer Needs**

IKEA's concept of guiding consumers to take the initiative to create is first reflected in the design of its products. IKEA does not have distinctive product design styles and colors, nor does it put much effort into the names and introduction copies of the product. In fact, IKEA's product names are the names of its designers. The furniture products of IKEA mainly adopt the simple and fashionable style, most of which adopt the monochrome design. Only the patterns with European pastoral style are used in the products such as tableware and carpets. IKEA attaches great importance to the application of colorific elements in the decoration of the

model room. Contrasting colors are used many times, which improve the vitality and enjoyment of the room. For these reasons, IKEA's furniture products have a strong collocation, allowing consumers to decorate their favorite style, which potentially improves the experience of consumers and creates a space for them to share inspiration and improve customer stickiness through mutual communication.

The series of strategies above are based on IKEA's deep insight into its consumer groups to master the way of resonating with consumers. IKEA's customers tend to be young, with low-income levels and low savings. IKEA's products allow them to pursue individuality and fashion as much as they can afford. Moreover, most young people live in fast-paced urban life, leading to their inner instability and loneliness. IKEA's furniture is portable, easy to disassemble and move, and has no definite style, making it easy for young urban people to move and change their homes. And IKEA has been promoting that furniture can bring people a warm feeling and creating a spiritual rest space for them.

### ***3.2. Mall Layout Increases Immersion***

The store layout of IKEA is very characteristic, which is guided and comprehensive, including three characteristics of shopping, catering, and entertainment. In addition, IKEA's store layout is strictly set according to its one-way route for customers. If consumers want to break the layout and go back to the previous link, they can only go back the original way or enter another space through some hidden side doors.

For example, IKEA often has text at its store entrance that guides you through signing up for a membership and start your trip with ice cream at a low price. The long escalators lead you to the large furniture showroom, where you can choose to eat first or after shopping. Once you enter the exhibition hall, there are signs on the furniture, hanging from the ceiling, and everywhere else that kindly guide you forward. Slogans use "you" to address consumers, and it would shorten the distance with consumers. The area was selling toys and food on the same floor with large furniture, while the area selling snacks and storage is on the same floor with small household items. IKEA has taken consumers' shopping psychology into good consideration to ensure that they can shop in the right area at the most appropriate time. There are also many miniature experience areas inside IKEA, which allow consumers to experience the model rooms, bedding products, toys, tables, and chairs. They would restore home comfort as much as possible and provide consumers with more design inspiration.

### ***3.3. Cultural Connotations Continue to Enhance Its Appeal***

The cultural connotation of IKEA can be explained in three parts. The first is the Nordic culture represented by the IKEA brand. As IKEA expanded its global reach, its exotic design style did not diminish. The logo of IKEA and the store's colors all adopt the matching colors of the Swedish flag, which directly shows their cultural background. At the same time, it also integrates European pastoral elements into product design and popularizes Swedish culture in product packaging bags and store slogans. The distinctive personality of IKEA attracts many foreign consumers who are not familiar with the Nordic culture, and they even become customers of IKEA with the attitude of experiencing culture rather than shopping, which also promotes the perfection of IKEA restaurants and snack shops. IKEA has tapped into consumers' curiosity and empathy with them.

After IKEA landed in China, it followed the development of China's network culture. The huge increase in the number of its stores in China coincided with the economic development of web celebrities. IKEA, a well-known foreign brand, attracted the attention of many fashion people. Many KOLs created a series of IKEA guides, including shopping, dining, and taking photos, and the store itself became a giant photo studio and tourist attraction. The message spread quickly on social media, raising IKEA's profile in China and making it a symbol of fashion and internationalism. IKEA is also starting to interact with these celebrities on social media platforms to further expand its influence. IKEA also uses Weibo and other new media platforms to publicize its marketing strategies, such as releasing new product information and announcing the time of activities. All these behaviors have significantly improved the goodwill of young people towards them.

IKEA has been guaranteed to keep progress with the time and has followed a variety of social hot spots and topics to convey the humanistic care of the brand. IKEA's advertising seldom focuses on the product but highlights an idea. For example, decorating your room symbolizes the growth and the separation of parents, and small spare also can bring warmth to you. They are also some other themes like environmental protection, protecting the innocence of children, feminism, and domestic violence. Therefore, IKEA has successfully created a fashionable, progressive, and responsible corporate image, which has greatly increased the emotional resonance with consumers, making them become loyal fans of IKEA.

#### **4. DISCUSSION: THE GENERATION LOGIC OF CONSUMPTION RESONANCE BASED ON THE BRAND MAGNETIC FIELD**

Next, take the discussion up a notch. Taking IKEA's marketing strategy as an example, what theories and insights can we get from it? From this, we can generate logic that arouses the resonance of consumers' consumption, which can be summarized into three aspects: the shaping of brand culture, the importance of fan economy, and the reasonable positioning of the consumer objects of their brands. The following is a specific logical explanation of consumer resonance.

First of all, we have to figure out what brand culture is[4]. Brand culture is a combination of unique beliefs, values, rituals, norms, and traditions related to a certain brand shared by the owners, buyers, users, or aspirants of the brand[5]. Brand culture also refers to establishing distinct brand positioning by endowing the brand with profound and rich cultural connotations and making full use of various effective internal and external communication channels to form consumers' high spiritual recognition of the brand, create brand belief, and finally, form strong brand loyalty. The so-called brand culture refers to the cultural accumulation gradually formed in the brand's operation, which represents the brand's own values and world outlook. The image of the said is the brand after the personification. It holds the mainstream view[6]. To be specific, it is a kind of culture that can reflect consumers' spiritual identification and resonance, make them persist in the pursuit of the concept of the brand and can form strong brand loyalty[7]. The importance of brand culture is self-evident. Excellent brand culture can give a brand strong vitality and extraordinary expansion ability, make full use of the brand reputation and visibility to extend the brand, further improve the appeal and competitiveness of the brand. Most importantly, excellent brand culture can also make consumers' consumption of their products become a cultural awareness and an indispensable part of life[8].

After that, fan economy is a word we want to analyze and discuss. If we think carefully, we can find that the two concepts of brand culture and fan economy are closely related. This is mainly because when a certain brand in the market creates a brand culture that is excellent enough to attract a certain number of regular consumers[9], these regular consumers will become fans of this brand. These people will pursue all the products of this brand like crazy star-chasing fans. In turn, the brand's fans produce a fixed, sizable economic effect. In other words, fan economy is officially defined as a business revenue-generating activity based on the relationship between fans and followers. It is a business operation mode that achieves economic benefits and social benefits by improving user stickiness and word-

of-mouth marketing. Looking at today's market, more and more brands have mastered this wealth code[10]. They have achieved a great deal of operational income through new marketing means such as web celebrity marketing, fan economy, idol endorsement, and so on.

Finally, we have to return to the consumer object of the positioning of this more basic concept. Each company brand in the market has its consumer positioning. Then they will design and produce some products in front of their main consumer groups and design some advertisements to cater to their main consumer groups. Each brand is suitable for different consumer groups. For example, luxury brands such as Louis Vuitton and Gucci are mainly aimed at high-end and high-consumption groups. There is also Casio, a watch brand facing the middle consumer group, especially teenagers; Another example is IKEA, the brand mainly discussed in this paper, facing middle and low-end consumer groups. And to find the consumer positioning of their own brand is the top priority of the brand. Because only when the brand finds its main consumer group audience, the brand can really find its own development direction to stand firm in the corresponding market.

#### **5. CONCLUSION**

Through the case study of the Swedish household brand IKEA, this paper analyzes and compares the various marketing strategies of its brand, thus summarizing the underlying logic of consumers' consumption resonance and how to arouse consumers' consumption resonance through the corresponding marketing strategies. This article analyzes the fierce competition in today's home furnishing market, the brand marketing environment is quite complex, and the demand of corresponding consumers is constantly increasing. Now there are more and more home brands ushered in explosive growth, then how to do a home brand stand out to attract consumers? This requires the brand to have an attractive brand culture, identified target consumer groups, and corresponding marketing strategies. These aspects are very important and indispensable. IKEA does a good job in these aspects. IKEA's marketing of its brand culture, style, and logo is obvious. In addition, coupled with IKEA's flagship web celebrity marketing strategy, this attracted many loyal followers to patronize IKEA. IKEA also has a clear brand positioning. It focuses on middle and low-end consumers and focuses on the pursuit of cost performance and innovation. All of this has made IKEA a great success in striking a chord with consumers.

And then, we can look at most of the companies in today's market. There are so many kinds of enterprises, but how many of them really stand out and are well known to the public? There must be many reasons for this, and most of them have been analyzed and studied

by past researchers. To be sure, these are some of the major issues facing businesses today. However, in the face of these repeated and single research and analysis, we should make some innovations and conduct more in-depth research. If we dig deeper, it's surprising to find that all these problems come down to one question: resonating with consumers. This article delves deeper into the reasons that repeat themselves. This is also where we think this article is more advantageous than similar articles. Of course, this paper is not perfect. We also have some obvious shortcomings and problems. In the IKEA marketing strategy on the discussion, we are not comprehensive. We selected the best and most successful marketing examples of IKEA and ignored some other failed strategies that were not suitable for the Chinese market. This is the incompleteness of the article. Second, we do not know how the market supply and demand relationship will change in the future market. Everything in the future is unknown. So, consumer resonance may not be a permanent "sword". This is the looseness of our article. Finally, we hope that we can grasp and maintain the advantages of our paper, and continue to study it, and expand it; I hope we can clearly recognize the shortcomings of our article, study it deeply, make up for it slowly, and make it as "perfect" as possible.

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