

IKEA. It's that affordable.

Introduction

In 2016, the advertising agency Memac Ogilvy and Mather UAE established a marketing communications campaign for IKEA Saudi Arabia with the tagline: ‘IKEA. It’s that affordable. (Digital Synopsis). The campaign showed images of IKEA furniture printed on inexpensive, everyday items with the same cost (See Appendix). The items were composed to create an almost jigsaw puzzle effect to show the product, while emphasizing the identical prices between the furniture and the items (e.g. three coffees for a table and six toothpastes for a nightstand). The campaign was reported to have resulted in a 21.4% rise in sales compared to the same period the year before, as well as a 93.2% increase in online store traffic (Paracencio). It qualified as the most successful promotion since the brand’s arrival in Saudi Arabia in 1983, doubling online sales when compared to other months with no special offers (Ibid; Eskander and Aal, 2010). The campaign is unique both for its limited use of mediums, as well as its adaptation of the standardized IKEA brand to the unique Saudi Arabian market. From a theoretical standpoint, the campaign employed the hierarchy of needs to invite consumers to prioritize their products over less, permanent, inexpensive products. ‘IKEA. It’s that affordable’ is an interesting example of utilizing universal need theory in a specialized market, while reconciling differences between host market and brand culture.

Campaign Scope

IKEA Saudi Arabia’s ‘It’s that affordable’ campaign was implemented across a variety of mediums, including outdoor, print, publishing, billboards, street posters, indoor posters, and

website promotion (Paracencio). The campaign also utilized limited interactive elements, as they distributed branded coffees and pizzas in high footfall areas to emphasize the price comparison between these inexpensive items and IKEA products (Ogilvy UAE). However, despite this extensive span across advertising medium and class types, the notable choice was made to exclude broadcast and social media from the campaign. While the exclusion of broadcast is easily explainable by the differences in production methods from more traditional forms of media, the decision to exclude social media from this campaign is uncommon in today's advertising world and requires further exploration(Dash and Begaonkar, 2012).

Marshall McLuhan coined the expression, ‘the medium *is* the message’ in the 1960s, suggesting that the medium itself plays an essential role in meaning creation and brand awareness (Dahlen, 2013). In the subsequent decades, researchers have found close ties between media context and ad recall, recognition, processing, brand attitude, and purchase intention. As such, medium choice has become an integral part of any campaign, with varying contexts and levels of prestige ‘rubbing off’ on perceptions of the brand itself (Ibid; Willie, 2007). This ‘rubbing off’ has been referred to as the Congruity Principle, and may assist in explaining IKEA Saudi Arabia’s traditional choice of mediums for the campaign in question. By focusing on advertising in public areas, Memac Ogilvy and Mather UAE did not frame IKEA’s furniture as high prestige or exclusive products, but rather as furniture that is available and attainable for all, keeping in line with the campaign’s message. The chosen mediums, with the exception of the already limited interactive element, allows audiences to engage with the advertising on their own terms, as opposed to commercials which audiences may not be able to avoid or skip. In this manner, consumers are able to visualize the products in their varied and diverse lifestyles, rather

than in a strictly delineated context. However, this still does not explain the exclusion of social media as a medium.

In recent years, social media has become a constant presence in consumer's everyday lives (Voorveld, 2019). For the purposes of this case study, social media will be defined as an internet-based application of Web 2.0 which allows the creation and exchange of user-generated content, such as Instagram, Facebook, and Twitter (Ibid; Kaplan and Haenlein, 2010). The 'social media phenomenon' of advertising can significantly affect a business' reputation, sales, and even survival, providing high impact media coverage with low costs (Klietzmann et al., 2011; Ajina, 2019). In Saudi Arabia in particular, social media has been found to be one of the most effective tools in brand development due to its high influence on Saudi consumers, who typically prefer shopping online with mobile devices (Al Saud and Khan, 2013; Makki and Chang, 2015). With this heavy influence in mind, the decision to exclude social media as a medium is even more puzzling. The colorful, descriptive graphics would have easily translated to Instagram, Facebook, or Twitter, without generating any considerable costs to the campaign. However, despite IKEA Saudi Arabia's active presence on all three platforms over the 2016 period in question, none of the campaign's graphics or messaging was ever posted (@IKEAsaudiarabia; @ikeasaudiarabia; IKEA, Riyadh, KSA). While some firms have chosen to avoid social media advertising due to a lack of understanding of its impact, or a prioritization over traditional mediums' credibility levels, their previous decision to utilize it as a tool negates such reasoning (Klietzmann et al., 2011; Danaher and Rossiter, 2011). While the decision to exclude social media is questionable, particularly due the low effort and commitment which would be involved, it may show a

weakness in Memac Ogilvy and Mather UAE's attempt to generate a modern, high reach campaign to the Saudi Arabian audience.

Market Context

In the decades since IKEA's internationalization in the early 1960s, their advertising has evolved into a distinct style throughout the 'IKEA-world', despite the decentralization of advertising and publicity in each market (Eskander and Aal, 2010; Salzer, 1994). IKEA has since described its target market as, 'young people in all ages,' emphasizing the youthful Scandinavian designs, as well as accessible price points. This large targeted segment, of those either just starting to furnish their homes or with limited funds to do so, was reinforced by the 1980s IKEA tagline, 'Not for the rich. But for the wise' (Ibid). However, despite this broad segment, some have posited that IKEA does not appeal to the largest market segments in foreign countries because of the cultural differences in IKEA's styles, while upper class populations will not buy IKEA furniture because of their lower price point (Ibid). As IKEA has expanded, they have capitalized on cross cultural similarities, targeting consumers who value prices over cultural differences (Ibid). In this manner, the firm was largely able to maintain both corporate culture and brand integrity in the Saudi Arabian market (Hartvigson and Hourani, 2009). However, in 2012, four years before the 'It's that affordable' campaign, IKEA was internationally criticized for digitally removing women from several photos in catalogues shipped to Saudi Arabia (Molin, 2012). While the company first passed the responsibility to the Saudi Arabian franchisee, the larger global brand later released a statement that, "We should have reacted and realized that excluding women from the Saudi Arabian version of the catalogue is in conflict with the IKEA

Group values” (Ibid; Dumet, Zanolini, and Morgan, 2020) This complex firm and market context of contradiction between local adaption and traditionally Swedish brand values is important to note when analysing the campaign in question.

Saudi Arabia as a market is unique in both the heavy influence which religion and tradition holds, as well as the significant exposure to western lifestyles (Eskander and Aal, 2010). Islam plays a significant role in the country, with religion interwoven throughout the legal system (Dumet, Zanolini, and Morgan, 2020). This is particularly evident in the laws forbidding women from travel, study, or work without permission from male guardian, and extending to rules which advertising media must conform to in their representation. This messaging disallows exposing anything ‘haraam’ to public consumption, thus triggering the ill-advised catalogue edits (Molin, 2012; Dumet, Zanolini, and Morgan 2020; Lugmani, Yavas, and Quraeshi 1989).

Because of these rules, it is common practice for multinationals to produce particular ads for Saudi Arabian audiences. When considering IKEA’s campaign’s place in this market, it is important to note not only the context which advertising agencies must operate within, but also the domestic cultural context which the products themselves will be oriented around. Saudi Arabia is divided into the heavily public sphere and the private, where families are respected, honored, and considered the center of one’s reputation (Eskander and Aal, 2010; Lugmani, Yavas, and Quraeshi 1989). In this intense privacy, the home plays an important role, with children living with their parents into early adulthood. As such, parents feel it to be their duty to help their children marry and furnish their homes, though in the modern day, the younger generation has much more freedom both financially and socially to choose their own furniture (Eskander and Aal, 2010). Such a cultural shift has led many parents, who as a demographic

show more of a preference towards traditional furniture, to purchase the modern, simple, and youthful styles which their children prefer (*Ibid*). As such, IKEA must not market only towards the young people who make much of their consumer base in other countries, but also towards the older generation who purchase on behalf of such youths.

These disparate contexts of IKEA as a global brand and Saudi Arabia as a rapidly westernizing, yet still religious environment is integral to understanding the messaging of the ‘It’s that affordable’ campaign. While many advertisers have courted controversy in the past to attract public attention and publicity, this is clearly not an option for IKEA Saudi Arabia (Waller, 1999; Beard, 2008). The company can clearly not afford to offend the traditional religious culture of Saudi Arabia without risking both legal repercussions and alienating the older generation whom they rely on. Conversely, the international outrage following the 2012 catalogue controversy shows the harm which a prioritization of these values can incite. Following this backlash by only four years, the campaign in question is uniquely calculated to be as inoffensive as possible. No individuals are shown, thus negating any accusations of purposely showing or excluding women. Instead, the objects advertised (a bed, nightstand, table, lamp, and shelf) are shown on ubiquitous, everyday objects (stamps, toothpaste, coffee, soda cans, and pizza boxes). The only two which may have the potential to cause offence are soda cans which may be confused for beer cans in a western context and pizza boxes rather than local foods. Due to alcohol’s illegal status in Saudi Arabia, it is unlikely that consumers would immediately think of alcoholic canned beverages, particularly with the low price described (SR 15 for 15 cans). The pizza boxes, on the other hand, may serve as a subconscious reminder of IKEA’s global brand, while nodding to the incredible popularity of the foreign food in Saudi Arabia’s culture of

tradition, despite exposure to and acceptance of aspects of other cultures (Al-Nsour, 2018). In this manner, the campaign serves as a concentrated effort of inoffensiveness, inspiring no criticism or even strong emotions from the international community, global brand, or localized market

Theoretical Applications

There are several important advertising and psychological theories employed in IKEA Saudi Arabia's 'It's that affordable' campaign. Both price signaling as an expression of IKEA's unique selling point (USP) as well as the utilization of Maslow's hierarchy of needs contribute towards value perception in an attempt to enact behaviour modification and induce purchase.

Behaviour modification largely refers to behavioural learning theory as represented in modern marketing, positively reinforcing buying behaviour to promote repeat purchases (Rothschild and Gaidis, 1981). The desired behaviour in these circumstances is purchase, with the product serving as either a positive or negative reinforcer. Marketing contributes to this behavior modification by assessing the needs of the consumer and developing reinforcers which target them (Ibid). In this case, such reinforcers consist of creative reminders of the low price and high value inherent in IKEA products.

The stated idea behind the 'It's that affordable' campaign was that "by changing value, (they) changed perception" (Paracencio). This change in value perception was implemented in an attempt to provoke consumers to question, "What's really worth buying for the little money they spend on coffee, pizza and souvenirs?" (Ogilvy UAE). Inman, McAlister, and Hoyer (1990) found the importance of price promotion signals to be present for low cognition individuals even

without a tangible price change present. However, high cognition individuals only reacted when the promotion was accompanied by a substantive price reduction. Through the emphasis on the low price of IKEA furniture in comparison to everyday, inexpensive items, Memac Ogilvy and Mathers UAE were able to emulate the effects of price promotion without actually necessitating a price reduction, thus increasing their products' value-for-money perception and emphasizing it as a USP (Ehrenberg, 2000; Willie, 2007). Such an emphasis on the value of the product itself shows a view of advertising as indirect, serving as an intermediary stage to changing consumers' attitudes and subsequent behaviour (Ehrenberg, 2000). Rather than extolling the virtues of each product, a small, basic selection was used as placeholders, representations of IKEA's value as a brand. The full tagline accompanying the campaign, 'IKEA. It's that affordable,' reinforces this idea. Not only are the specific products affordable, but the entire IKEA brand. In this manner, the campaign works in a weak manner, reminding consumers of the brand and increasing its value perceptions (Ephron, 1997).

The IKEA Saudi Arabia campaign utilizes theory of the hierarchy of needs in a fascinating manner. Abraham Maslow's 1954 model of the hierarchy of needs is highly popular in both academic and laymen circles, gaining near worldwide acceptance as a common view of human motivation despite its heavy criticisms (Bouzenita and Boulanouar, 2016; Yalch and Brunel, 1996; Veronika, 2013). Maslow stated that individuals were driven to satisfy their most basic needs before they were driven to a higher level need, escalating from basic physiological needs, all the way to self-actualization (Yalch and Brunel, 1996; Bouzenita and Boulanouar, 2016). In this manner, needs must be met in their ascending order, with needs on the higher stage pursued after the lower stage needs are at least partially met. In the context of this theoretical

framework, IKEA Saudi Arabia's campaign recommends consumers to invest in more basic needs before expending funds on the less important, higher level needs. With the exception of toothpaste, all of the constituent products (stamps, coffee, soda cans, and pizza) can be considered unnecessary to one's everyday life. Even stamps are increasingly less essential, with the emphasis on electronic communication in both business and personal matters. This value comparison, that one should invest in furniture rather than luxury, is emphasized by the temporal elements of each object. While the IKEA objects are meant to be permanent additions to a home, the constituent products are temporary, used to increase quality of life in the short term. It invites the consumer to question (once again with the notable exception of toothpaste), whether their overall quality of life would be better if they prioritized investing in lower-need, permanent furniture purchases over higher need, temporary goods.

The emphasis on the hierarchy of needs is contributed to by the role which furniture plays in the embodiment of Saudi Arabian homes. While the importance of the private sphere has been previously explained, the furniture which occupies it may also take on a unique role, just as they do in British households. Epp and Price (2010) hypothesized that furniture in the home functions as one side of a unique human-object relationship, temporarily stable but changing over time as objects and subjects comprising one's extended self evolve to provide a more dynamic view (Belk, 2014). Furniture in the home brings family together while keeping them apart in their own identity projects (*Ibid*). No single consumer exists outside of these patterned relations with both people, objects, and their meanings as furniture assists in constructing their valued home environment (Badje, 2013). Returning once again to Memac Ogilvy and Mathers UAE's expression of the hierarchy of needs, when the IKEA furniture products in these advertisements

are imbued with these embodiments and importance, they can be seen to occupy both physiological needs, as well as higher level love and belonging needs. This combination gives them even greater value when compared to the constituent objects which are typically enjoyed by one person alone, with the possible exception of the pizza boxes. As such, these advertisements are not only suggesting that consumers prioritize their own lower level needs over higher levels, but also for purchasers to prioritize the well being and cohesion of their family unit over their own temporary, solitary pleasures.

Although Maslow's hierarchy of needs can easily be applied to the 'It's that affordable' campaign, there have been a variety of criticisms of the theory which must be taken into account. One major criticism is the lack of spirituality in Maslow's model as well as its reliance on western individualism without proper consideration for collectivist cultures, as it was established within the assumptions and biases of western capitalism (Bouzenita and Boulanouar, 2016). While Maslow may equate self-actualization with religion, it is still placed at the top of the pyramid, with all other needs necessitating satisfaction first. In an Islamic context, particularly one like Saudi Arabia, in which religion is so interwoven with other cultural, legal, and governmental aspects, spirituality and materiality are given equal importance in a balance, contrasting with Maslow's ranked hierarchy (*Ibid*). However, this campaign chooses to ignore religion completely, in line with IKEA's status as a globally secular company. In this way, the campaign has accomplished its goal of inspiring purchasing behaviour while offending no one. A fully integrated marketing campaign may have chosen to include these unique religious facets, involving a higher level of customization of contact points to consumers and segments (Calder and Malthouse, 2005). However, Memac Ogilvy and Mather UAE made the conscious choice to

increase the scope of the campaign and avoid censure by not overtly customizing the expression of needs in this way. Instead, they focused on nearly universal needs and priorities, tailored to the Saudi Arabian consumer.

Conclusion

Memac Ogilvy and Mather UAE's campaign, 'IKEA. It's that affordable,' for IKEA Saudi Arabia is notable for its inoffensive approach to its expression of a ranked hierarchy of needs, expressing a universal message in a unique market. The stated goal of the advertising was to create a campaign that "opened people's eyes to a surprising fact: beautiful Scandinavian design is as affordable as the least expensive things in their daily lives" (Ogilvy UAE). The campaign accomplished this goal, increasing the brand's value perception while emphasizing this relative importance over products which, due to their price rather than their class, could be considered 'competing.' At the same time, it was able to reconcile the disparate cultures of globally Swedish IKEA and the high context host market. While there are some questionable decisions which this study was unable to reconcile, namely the limited employment of certain media classes, the campaign was clearly able to frame affordability as a USP for both the products and brand itself, appealing to both 'young people in all ages' and their wider family units.

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Appendix

Please watch the case film.

IKEA **It's that affordable.**

Have you ever thought about how much you spend on coffee every week? **IKEA has.**

To promote IKEA's special offers, we created a 360° campaign that opened people's eyes to a surprising fact: beautiful Scandinavian design is as affordable as the least expensive things in their daily lives.

So we changed the value of furniture and put IKEA's products right amongst those things. Instead of money, we used coffee, toothpastes, soda cans, stamps, pizza boxes and postcards as a visually striking new currency. A simple change that changed people's perception. And made them see IKEA's affordability in a whole new way.

RESULTS

By defining the least expensive things in life as a currency, IKEA changed perceived value, making consumers question their spending. And that showed in the results:

- Sales soared 21,4% compared to the same period last year.
- The most successful special offers promo since the brand's arrival in Saudi Arabia.
- Traffic on the brand's online store increased 93,2%.
- Users spent 15min. more than the average browsing time on IKEA's website.
- Online sales doubled, compared to other months with no special offers.
- It was a big deal for IKEA and an even bigger one for its customers.

IMAGE GALLERY

Figure 1. ‘IKEA. It’s that affordable.’ Campaign, (Source: *Clio Awards (2016) IKEA. It’s that affordable. Available at: <https://clios.com/awards/winner/brand-design/ikea-saudi-arabia/ikea-it-s-that-affordable--13399>*)