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**College of Business Administration**

**MGT201- Marketing Management**

**2019-2020**

**Assignment-2**

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| Course Name: Marketing Management | **Student’s Name:** |
| Course Code: MGT201 | **Student’s ID Number:** |
| Semester: 1 | **CRN:** |
| **Academic Year: 1440-1441 H** | |

**For Instructor’s Use only**

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| --- | --- |
| Instructor’s Name: | |
| Students’ Grade: Marks Obtained/Out of | Level of Marks: High/Middle/Low |

**ruction**

**Assignment Regulations– PLEASE REATHEM CAREFULLY**

* The Assignment must be submitted on Blackboard (**WORD format only**) via allocated folder.
* Assignments submitted through email will not be accepted.
* Students are advised to make their work clear and well presented, marks may be reduced for poor presentation. This includes filling your information on the cover page.
* Students must mention question number clearly in their answer.
* Late submission will NOT be accepted.
* Avoid plagiarism, the work should be in your own words, copying from students or other resources without proper referencing will result in ZERO marks. No exceptions.
* All answered must be typed using **Times New Roman (size 12, double-spaced)** font. No pictures containing text will be accepted and will be considered plagiarism).
* Submissions without this cover page will NOT be accepted.

**Learning Outcomes**

1. Ability to formulate marketing strategies that incorporate psychological and sociological factors which influence consumers (Lo 1.9).
2. Ability to carry out objective and scientific analysis of consumers’ needs and wants (Lo 2.3 & 2.6).

**Assignment Question(s): (Marks- 05)**

**Case study**

Ikea is the leading company in selling furniture store in the world.In 2018, the global revenue generated by the IKEA Group amounted to 38.8 billion euros. (statista.com). The IKEA vision is to “*create a better everyday life for the many people. Our business idea supports this vision by offering a wide range of well-designed, functional home furnishing products at prices so low that as many people as possible will be able to afford them*”. The main goal of IKEA is to help customers improve their home and professional environment by offering a wide range of furniture, textiles and utensils at reasonable prices.

At IKEA, the design of furniture products is based primarily on the study of the daily needs of people at home, especially those with low incomes and living spaces. This is how IKEA is able to offer well-adapted and functional products to the needs of its customers with reduced prices that most people can afford.

IKEA collaborators responsible for product design and development focus primarily on three peers: price and quality, design and function, environment and health. The objective is to make the productssaleable and right for the IKEA identity. This is why elements of the design are often decided on the factory floor, where designers and manufacturers work together: “*At IKEA we design the price tag first and then develop the product to suit that price. IKEA product developers and designers work directly with suppliers to ensure that creating the low prices starts on the factory floor. They consider maximizing production equipment, using raw materials efficiently and applying technical innovations and the best possible design. It is all about making the most of our production process, keeping waste to an absolute minimum and considering flat-pack transportation and self-assembly*”.

### **IKEA believes that low prices are possible even with high product quality.**This combination became IKEA’s veritable strategy and driving force for the sustainable growth of its business.

Source:

IKEA company website (2019).[https://www.ikea.com](https://www.ikea.com/)

**Questions**

1. Write a brief introduction about the company Products, business statement, vision and objectives.
2. Describe the Marketing Plan forIkeacompany.
3. Discuss how do Ikea manage all of their products and services? What are the steps in the best development process for new products/services?
4. How do Ikea marketers use pricing strategy and pricing objectives to achieve their goals?

**Answers:**