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IKEA Burlington opening campaign

Effective retail advertising has one supreme virtue. If it works it works quickly, delivering customers and sales.

Effectiveness can be measured immediately; run an ad on Wednesday and if the store isn't packed on Friday and Saturday, you know something didn't work.

As this case demonstrates, the immediate call to action and 'move-the-product-with-a-sale' mentality is alive and well, but it is being augmented with longer term strategic objectives related to a store's market positioning and image.

The two primary objectives in this case seem to come from opposite ends of the spectrum normally considered in advertising strategies. First, position IKEA as a leader in home furnishings normally a long-term corporate objective. Second, get 60,000 people out to a store opening over a four-day period and go for immediate sales objectives.

The Swedish Open campaign combined print and radio advertising with publicity stunts and 450 local billboard impressions to saturate the local market and create 'an event'. In the few short weeks before the store opening, the campaign was able to capture the attention and create enough curiosity to deliver weekend traffic that was 25 per cent over target and to generate sales that were 15 per cent over the pre-campaign projections.

Yet, the advertising also fell within the scope of a corporate image campaign. If you didn't know what IKEA was or meant in the furniture business, you did after hearing or seeing its ads: upscale quality (without being off-the-scale expensive), intelligent and amusing in its relationship with its customers.

SITUATION ANALYSIS

In July 1991, Cossette was charged with opening IKEA's new flagship store in Burlington, Ontario. (IKEA is the world's largest home furnishing retailer with over 100 stores around the world.)

A new store opening is the single biggest event in the IKEA culture. Usually the store is not part of a larger mall but stands alone, an entity unto itself. Location is a crucial factor and the company targets central locations in areas of high population growth and new household formations. This was true of the new Burlington store. It was convenient to the greater metropolitan Hamilton market as well as within a 30-minute drive of major municipalities west of Toronto, notably Mississauga and Oakville.

Typically, a store opening is considered the crucial period to establish IKEA within a community. The 'event' is used as a chance to introduce as many people as possible to the unique IKEA shopping experience. In Burlington, that included an in-house 'Scandinavian-style' restaurant, a children's play area and a truly labyrinthine display of furniture and accessories.

The four-day opening period (Wednesday through Saturday) at the end of July 1991 represented a one-time opportunity to introduce and successfully establish IKEA in this important marketplace.

Store-opening campaigns must meet very aggressive sales and visitor targets to quickly establish IKEA's

positioning in the marketplace. Based on the company's prior experience, a target of 60,000 visitors was set for the event.

This objective was an ambitious target due to a variety of reasons outside IKEA's control:

There was active construction underway on the Queen Elizabeth Highway (QEW), so motorists seeking the store would be faced with less than ideal driving conditions.

The store stands alone, separate from the surrounding malls or shopping districts. Although a large shopping mall was about five minutes away by car, those coming to IKEA would not be in a position to rationalize the trip as a convenient 'one-stop' location with access to other retailers. There weren't any. This would be a dedicated trip.

It was the height of the summer vacation season. The event could count on a certain number of potential customers being away on vacation. Those who remained would naturally have other commitments for the weekend besides going shopping.

Finally, the store opened in July 1991, during a major recession when consumer spending, particularly on household goods, was down considerably. Key employers in the region had announced major layoffs during this period, further eroding local consumer optimism.

STRATEGY AND EXECUTION

OBJECTIVES

- Position IKEA as the leader in the home furnishings market;
- Deliver 60,000 visitors to the store during the four-day opening period;
- Deliver a very aggressive sales target (the number is confidential);
- Provide a strong sense of connection between IKEA and the local community;
- Effectively communicate IKEA's personality (fun, empathetic, intelligent) and its product range (quality home furnishings for the entire home).

When considering these objectives, it must be noted that top-of-mind awareness of IKEA six months before the opening was measured at only 4 per cent. In other words, the preceding objectives had to be met in the context of a market that was largely unfamiliar with IKEA and in which the brand/corporate identity meant next to nothing.

THE BIG IDEA

Burlington is a quiet bedroom community, located east of Hamilton and within a 40-minute drive to downtown Toronto. As such, it is easily overlooked on the heavily travelled thoroughfare (QEW) that joins the two larger cities. By contrast, the neighbouring town of Oakville - in many ways equal to Burlington in other 'lifestyle' respects - was (and is) the host every year of the prestigious and well-known Canadian Open Golf Tournament. This major late summer sporting event draws thousands of visitors to the area and commands national and international television coverage. These two facts were the genesis of our idea.

We decided to create a summer event that Burlington could call its own; an event that created some notoriety and publicity that would draw at least 60,000 people to our store.

So Burlington became the home of the Swedish Open. This simple idea had several perceived strengths:

It played off a very well-known and well-publicized neighbouring event - the Canadian Open. This made it seem plausible that the Swedish Open might be a similar sort of event, and lent an air of bigness to the idea.

There was a great deal of mystery and anticipation around the event since no one actually knew anything about it, but it seemed to be so big.

The theme provided a natural link with IKEA because it referred directly to the company's Swedish heritage. And the national link to Sweden fell within an established sports tradition of naming a major sporting event after the host country.

The whole notion of a Swedish Open conjured up an event of some magnitude, with a sense of fun about it but also something that was just a little different.

THE CAMPAIGN

The idea was executed with a five-week campaign that integrated advertising, public relations and consumer promotions. The advertising was launched with a week of teasers in outdoor and print.

The teasers hinted that something big called the Swedish Open was coming to Burlington on July 24 without revealing anything else. By the end of the week, everyone wanted to know what this thing was. Many people tried to buy tickets to the Swedish Open including one prominent executive who attempted to finesse an invitation to the opening.

The teaser ads were followed by an intensive blitz of outdoor advertising (over 450 postings), newspaper, radio and on-site promotions. Public relations and innovative promotional activities were co-ordinated to deliver the knockout punch.

We had a great deal of success securing (editorial) radio, television and newspaper coverage. The stories often focused on the fact that a furniture retailer was investing so much in expansion right in the middle of a recession. This inadvertently helped boost local consumer confidence and helped focus on the price and value features of IKEA's product line.

On the promotional side, so-called 'living billboards' were created. IKEA room settings with actual people in them were set up in train stations, shopping malls and even on flat bed trucks that were driven through targeted areas.

RESULTS

The first visitor camped outside the store for seven days before the opening. This number rose to almost 40 eager customers sleeping outside the store the night before the opening.

By the end of the four-day opening, 74,000 people had visited the store. This clearly exceeded the target of 60,000. By the end of the promotional event, total sales were 15 per cent over the company's established target for this store opening.

Research done six months after the opening showed 82 per cent total advertising awareness for IKEA in Burlington, and impressively, 40 per cent specific recall of opening related advertising.

By any standards, the Swedish Open was a smashing success.

CLIENT
IKEA

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