



# THE TIMES 100

Edition 14

## **IKEA: SWOT analysis and sustainable business planning Lesson plan**

### **Content area**

- Strengths
- Weaknesses
- Opportunities
- Threats

### **Method**

This resource can be used for general classwork, homework or learning skills for investigation.

It is a good simple exercise in bringing the various terminologies together in understanding what it means, and how it can be used in context. This allows the pupils to bring out more in discussion and understand that the topics covered in Business Studies are not insular. The outcome will be by differentiation.

### **First Activity:**

Using the case study and any other resources, define the following words:

Multinational Company; Primary sector; Secondary sector; Tertiary sector; job production; batch production; flow production; lean production; product range; product mix; diversification; new product development; franchisor; franchisee; market share; consumer; employees; stakeholders; channel of distribution; sourcing; pricing strategy; market segment; target market; product orientated; market orientated; service sector; retail sector; private costs; private benefits; social costs; social benefits; external influences; sustainability; environment; PR; corporate social responsibility; communication; green targets; carbon footprint; strategy; objectives; tactics; mission statement; vision; SWOT analysis; brand; organisational structure; lean production; quality circles; quality assurance; quality control; kanban; kaizen; location; key performance indicators; benchmarking; recycling; renewable materials; economies of scale; price elasticity; green products; landfill; legislation; IWAY code; profitability; net profit; gross profit; ROCE; USP; differentiation; social trends; competition; disposable income; staff training; barriers to entry; opportunity cost.

### **Second Activity**

Once you have completed the definitions link the following words together to form a paragraph. The words do not necessarily have to be in any order but must be in context of IKEA.



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## Questions

1. What does SWOT analysis mean?
2. Why is it important for an organisation like IKEA to do a SWOT analysis?
3. Who should carry out the SWOT analysis in IKEA?
4. How has IKEA managed to achieve such rapid growth?
5. On average how many customers have been to each of the IKEA stores?
6. What was the average spend per customer in each store?
7. What are IKEA's strengths?
8. What are IKEA's weaknesses?
9. What are IKEA's opportunities?
10. What are IKEA's threats?
11. How has IKEA put up the barriers to entry for smaller businesses?
12. How has IKEA focused on sustainability?

## Activities

- Using the case study and the IKEA online catalogue, find 10 products that are environmentally friendly.
- Using the various theory from textbooks, Times100 case study on IKEA and other sources, produce a revision / learning guide on SWOT analysis.
- Find 10 interesting facts about IKEA.

## Other resources

- MP3 download of the full case study
- Summary of the case study . 500 words
- Brief of the case study. for lower ability pupils
- Interactive online quizzes
- Revision theory:
  - <http://www.thetimes100.co.uk/theory/theory--market-research--315.php>
  - <http://www.thetimes100.co.uk/theory/theory--employee-participation--310.php>
  - <http://www.thetimes100.co.uk/theory/theory--production-quality--339.php>
  - <http://www.thetimes100.co.uk/theory/theory--production-process--254.php>
  - <http://www.thetimes100.co.uk/theory/theory--lean-production--252.php>
  - <http://www.thetimes100.co.uk/theory/theory--social-other-opportunities-constraints--332.php>
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