

# IKEA: Behind the Best Global Retail Web Site

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IKEA ([www.ikea.com](http://www.ikea.com)) is one of the world's most successful retailers, with more than 220 stores spanning 35 countries. Founded in Sweden more than 50 years ago, IKEA stores last year collectively saw more than half a billion visitors and brought it more than \$22 billion. What makes these statistics particularly impressive is that they're generated by a truly global customer base. Consider the locations of the most recent store openings:

- Bucharest, Romania (March 2007)
- Frankfurt, Germany (March 2007)
- Bari, Italy (February 2007)
- St. Petersburg, Russia. (December 2006)
- Texas, U.S.A. (November 2006)
- Chengdu, China (November 2006)

And yet IKEA, with only 29 locations in the US, is really just getting started.

Each year, I benchmark hundreds of global Web sites for *The Web Globalization Report Card*. And for the past three years, IKEA has dominated these rankings as the best "bricks and mortar" retail Web site. It emerged on top of its industry again for *The 2007 Web Globalization Report Card*, placing 23rd out of 200 Web sites.

This article explains why IKEA is the global retail Web site to beat and what companies in other industries can learn from the retailer.

### **For Retailers, Going Global Isn't Easy**

As one retailer told me a few years ago, the world may be flat for Amazon.com, but for bricks and mortar retailers, the world is still very much round. That's because many retailers must open local stores before they can succeed in new markets. A localized Web site might be a great way to test market potential, but for a company that specializes in, say, furniture, giving customers the opportunity to touch and sit on the merchandise can make all the difference.

Retailers have generally been slow to develop multilingual Web sites simply because they've been slow to expand outside of their domestic markets. According to a Deloitte study of the world's top 250 retailers, 104 retailers have no international operations at all,.

But IKEA had a leg-up on its competitors because it built its business not only through store expansion but through a hugely popular mail-order catalog. Today, the catalog is printed in 27 languages and distributed in 34 countries. The catalog provides IKEA with the local-market intelligence it needs to identify where to open stores next, what products will be most successful, and what unique local challenges the company will face.

### **Going Local While Staying Swedish**

Despite locating its headquarters in the Netherlands, IKEA actively promotes its Swedish heritage. The company's blue and yellow color scheme echoes the colors of the Swedish national flag.

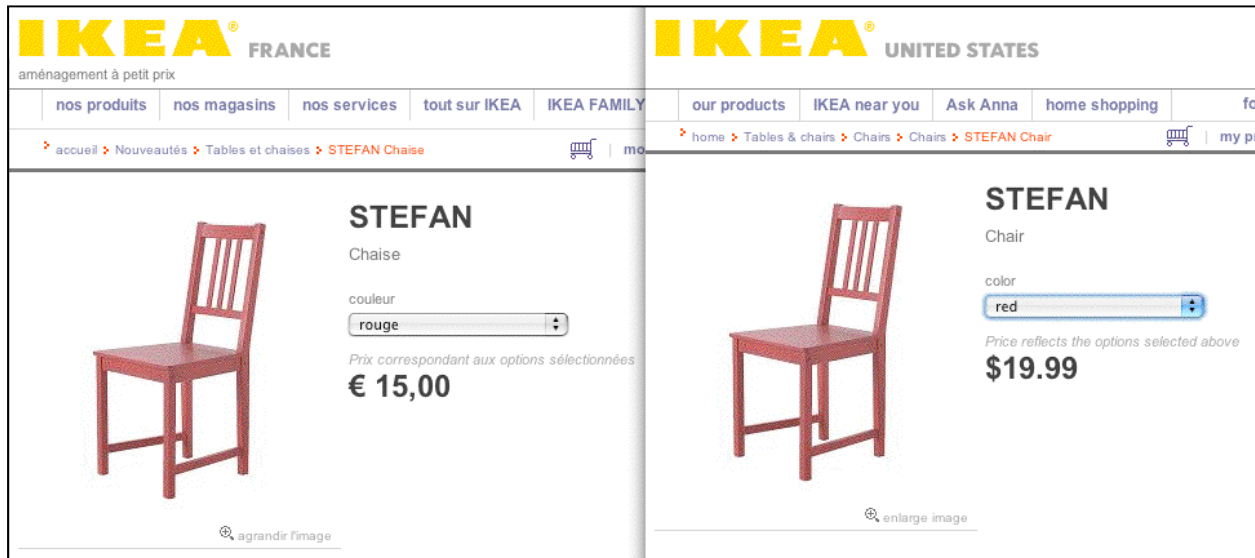


IKEA's product designs are clean and minimalist in nature and the product names – such as Norgen, Sommar, and Stefan – are of Scandinavian origin. And the stores themselves include restaurants that serve Swedish meatballs.

But while IKEA may benefit from its perceived *Swedishness* in each new market it enters, the products themselves must be relevant to the local market. That is, customers will only purchase products that fit their homes and lifestyles.

This is where the localization of IKEA comes into play, both in the stores and on the Web.

IKEA aims to develop products that will be relevant in as many markets as possible, such as the Stefan, shown here.



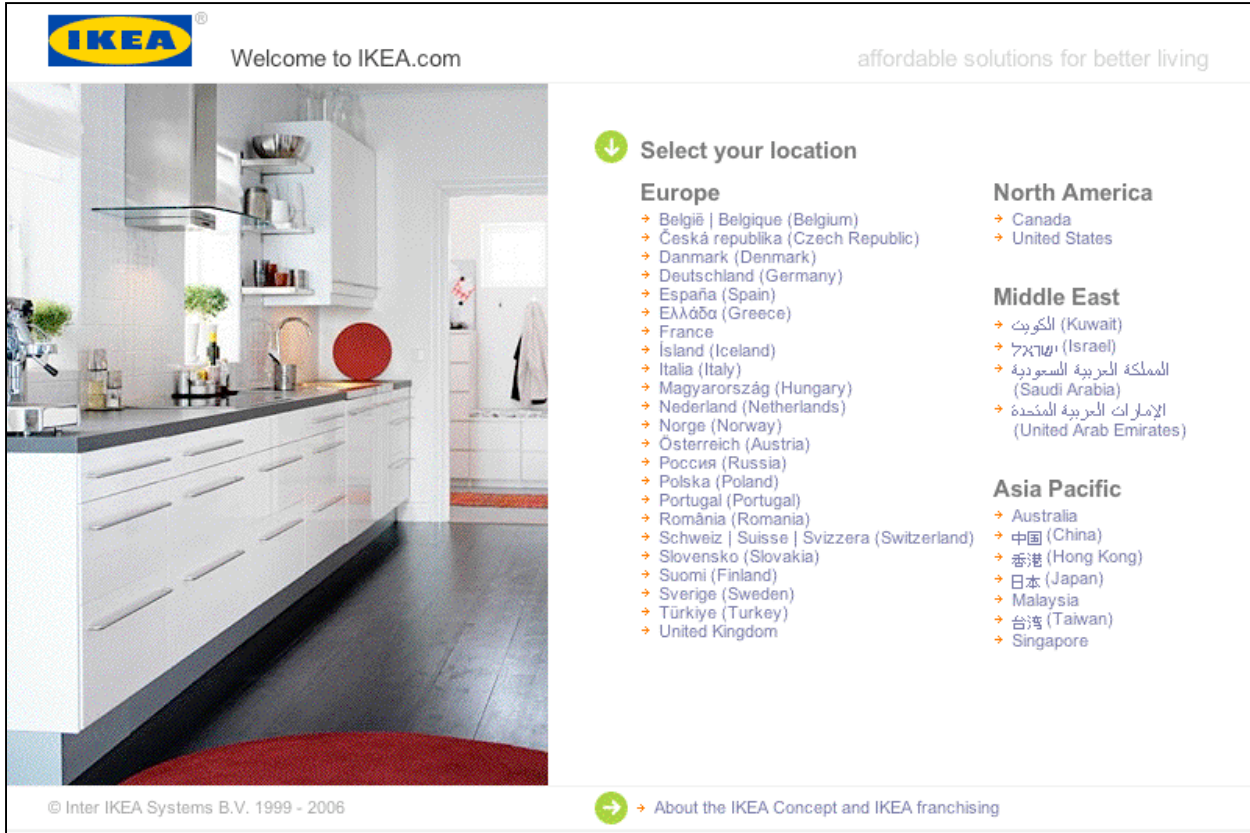
But even if the same product can sell in many markets, there are variables that must be localized, such as measurements and currencies.

That said, IKEA does a very good job of minimizing the number and complexity of these variables, which is a general lesson in Web globalization. The art of successful global Web design is about *less* design, not more, as you'll see with IKEA's global design template.

Now let's take visit [IKEA.com](http://IKEA.com).

## At IKEA, .com Means Global

When you visit IKEA.com, you arrive at a splash global gateway. This page allows you to self-select your locale.



The screenshot shows the IKEA.com homepage. At the top left is the IKEA logo and the text "Welcome to IKEA.com". At the top right is the slogan "affordable solutions for better living". On the left side, there is a photograph of a modern kitchen with white cabinets and a dark countertop. On the right side, there is a "Select your location" section with a green downward arrow icon. Below this, there are four columns of country names, each preceded by a green rightward arrow icon. The columns are: Europe, North America, Middle East, and Asia Pacific. At the bottom left, there is a copyright notice: "© Inter IKEA Systems B.V. 1999 - 2006". At the bottom right, there is a green rightward arrow icon followed by the text "About the IKEA Concept and IKEA franchising".

**Select your location**

**Europe**

- België | Belgique (Belgium)
- Česká republika (Czech Republic)
- Danmark (Denmark)
- Deutschland (Germany)
- España (Spain)
- Ελλάδα (Greece)
- France
- Ísland (Iceland)
- Italia (Italy)
- Magyarország (Hungary)
- Nederland (Netherlands)
- Norge (Norway)
- Österreich (Austria)
- Россия (Russia)
- Polska (Poland)
- Portugal (Portugal)
- România (Romania)
- Schweiz | Suisse | Svizzera (Switzerland)
- Slovensko (Slovakia)
- Suomi (Finland)
- Sverige (Sweden)
- Türkiye (Turkey)
- United Kingdom

**North America**

- Canada
- United States

**Middle East**

- الكويت (Kuwait)
- إسرائيل (Israel)
- المملكة العربية السعودية (Saudi Arabia)
- الإمارات العربية المتحدة (United Arab Emirates)

**Asia Pacific**

- Australia
- 中国 (China)
- 香港 (Hong Kong)
- 日本 (Japan)
- Malaysia
- 台湾 (Taiwan)
- Singapore

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→ About the IKEA Concept and IKEA franchising

The first thing to note about this page is that it is country agnostic. Sweden gets no higher billing than any other country.

Furthermore, each of the country Web sites are hosted in their relevant two-letter country domains, such as [www.IKEA.de](http://www.IKEA.de) for Germany and [www.IKEA.fr](http://www.IKEA.fr) for France. The US site is hosted at [www.IKEA.us](http://www.IKEA.us).

Volvo takes a similar approach: hosting its US site at the .us domain. It is no coincidence that these two companies did not originate in the US. American companies (and American

customers) have historically viewed .com as the US domain, which has prevented them from taking the approach used by Volvo and IKEA, for now at least.

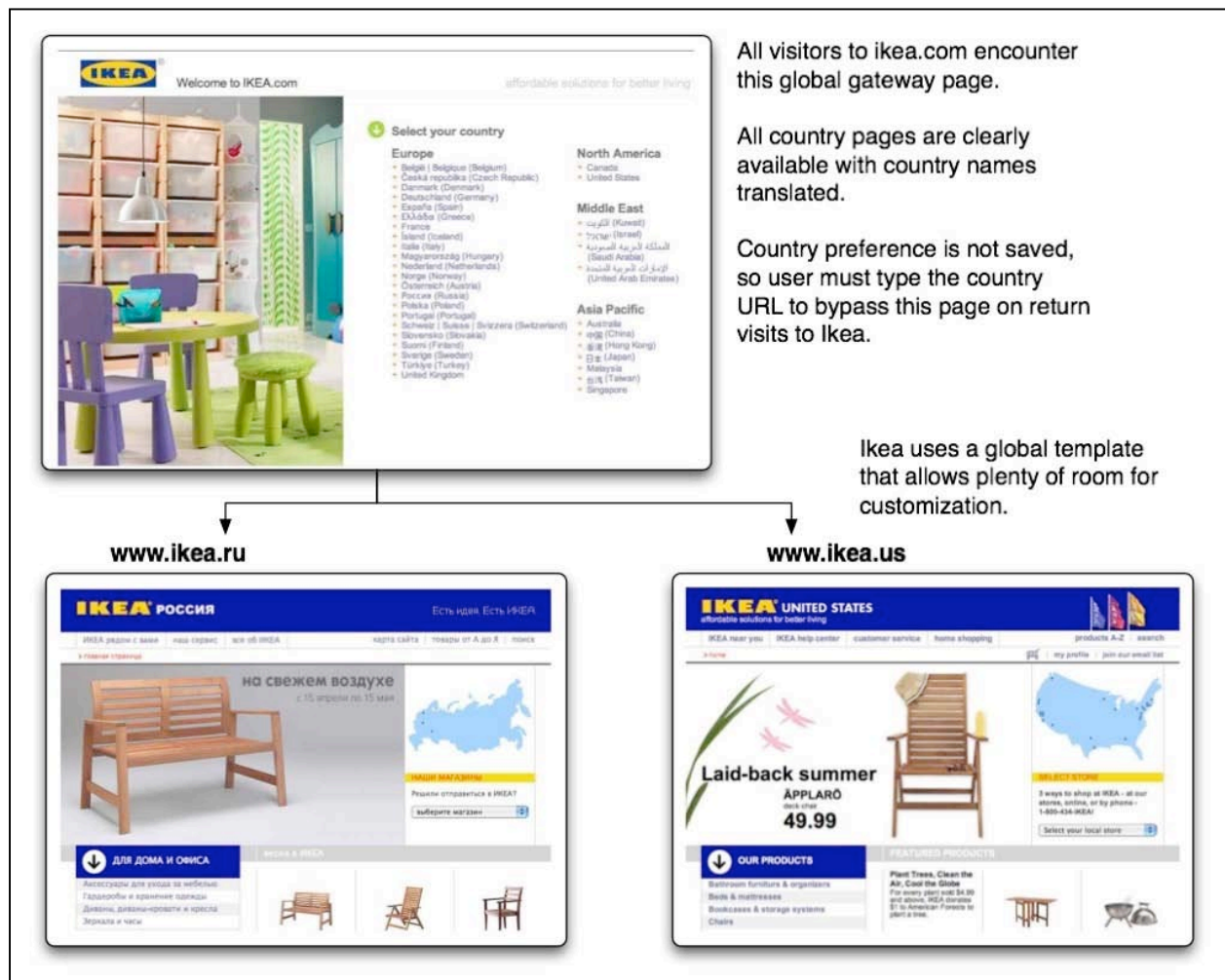
While this may sound like a minor detail, a number of multinationals are struggling with the confusing nature of the .com address. As companies expand their reach around the world, they find that users from around the world initially visit the .com address looking for local content.

That's why the splash global gateway is such a valuable device.

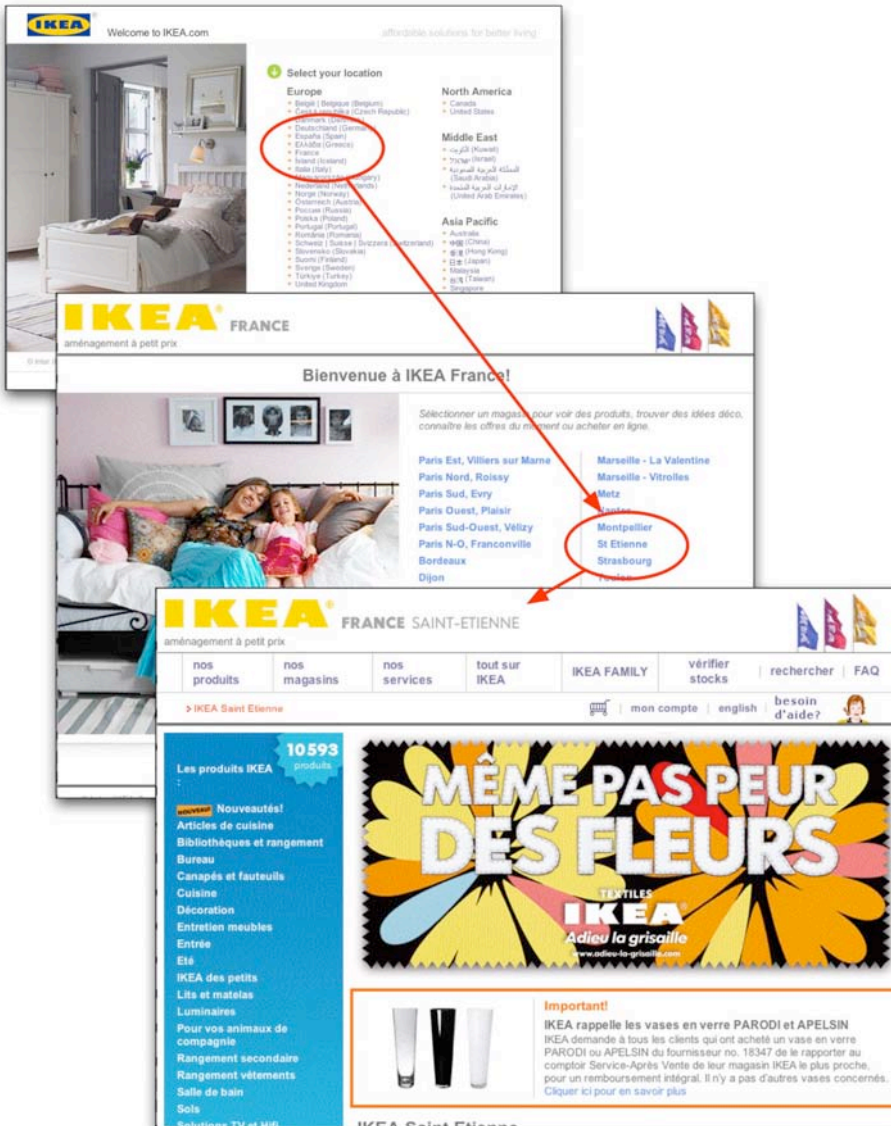
## IKEA's Splash Global Gateway

Back in 2003, IKEA was one of only a handful of companies that used a splash global gateway. IKEA was ahead of its time.

According to the *2007 Web Globalization Report Card*, more than 25% of the 200 Web sites analyzed now use splash global gateways, including companies such as Caterpillar, Air France, and Patagonia (which launched its global gateway a few months ago).



For some country Web sites, IKEA presents more than one landing page, allowing users to drill down to specific regions or towns within their country.



However, no matter where the user is within the IKEA Web site, the current locale is prominently indicated at the top of the Web page, a nice way to gently remind users as to where they are exactly within the site. it's important to stress that as companies localize their Web sites into

more and more locales across more and more brands, the odds of their customers and potential customers getting lost only increases.

IKEA does a number of things well with its splash gateway. As shown here, the gateway is careful to include country names in the dominant native language. You'll notice that there are multiple scripts displayed. Although Unicode allows for a Web page to display more than one script, if the user's computer does not have a Unicode-friendly font, many of these scripts will appear as empty boxes or question marks.



To avoid this from happening, IKEA embeds the non-Latin scripts within GIF images. It's another small detail but one that might prevent visitors from thinking that their browsers are acting up or the Web site is broken. Or, worse, contacting your Web support team saying that the Web site is broken.

Another important aspect of this gateway is that all countries are treated equally. Many companies use pull-down menus for their global gateways. When the list of countries grows too long, companies will often place their core market at the top of the list, such as the United States or United Kingdom. Doing so shows favoritism for one country over others and is generally not a good idea if your goal is to expand into new countries.



The major drawback to the IKEA landing page is that repeat visitors will keep on landing on this splash page. Some companies use cookies to capture the user's locale preference so they bypass this landing page on subsequent visits, something IKEA should consider testing.

The splash gateway is not a *silver bullet* solution to global navigation. It is just one element of a larger navigation strategy. Here are a few tips to keep in mind as you develop your company's navigation strategy:

- **Reserve country-specific domain names.** From .us to .de to .cn, if you're planning to expand globally, start reserving those country domains as soon as possible.
- **Include a "permanent gateway" on all Web pages.** If a user arrives at the German site by mistake and wants to get to the Spanish site, always include a link back to the gateway. This permanent gateway link should be located at the top of the Web page whenever possible. Here is the permanent gateway link on the Caterpillar Web site:



IKEA is missing permanent gateway links on its country pages.

- **Wave flags with caution.** Flags can be effective in letting the user know that he or she is on the correct country Web site, but they should not be used to denote language. For example, what flag would you use to signify Spanish or English? The user of flags is also a delicate issue when it comes to China and Taiwan.
- **Tell users where they are.** Each country Web site should include the country name within the template header to provide an additional degree of comfort to the user.
- **Consider geolocation and language negotiation.** These two technologies look at the Web user's IP address and language preference of the browser to serve customized content. Google uses both of these technologies and a small but growing number of companies are now using them as well.

Finally, sometimes you'll need to localize a Web site into multiple languages to effectively address one country, such as Switzerland. Although a relatively small country, Switzerland has four official languages: French, Italian, German and Romansh. Notice how the IKEA Switzerland site is available in French, German, and Italian.



### IKEA's Global Template: Less is More

IKEA was also forward-looking in its global design. Although the design has evolved over the years, the overall approach remains the same – a consistent global design template that allows a maximum amount of real estate for local products and promotions.

The template is basically just a header. There are also various page templates that may be shared between regions and countries. Globally, however, the template is one consistent design element.

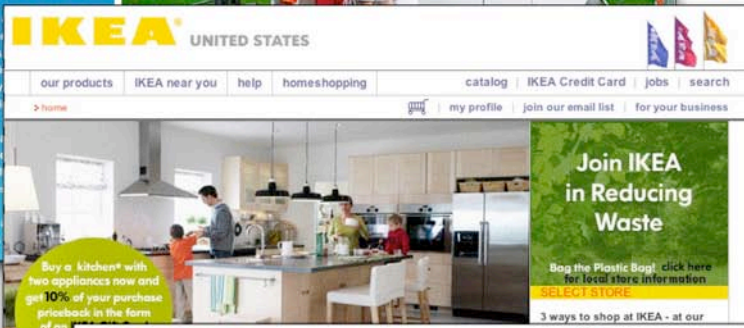


As a general rule, I find that the less real estate the global template requires, the less resistant country offices will be toward adopting it. When it comes to successful global designs, less is more.

### Spain



### US



### Japan



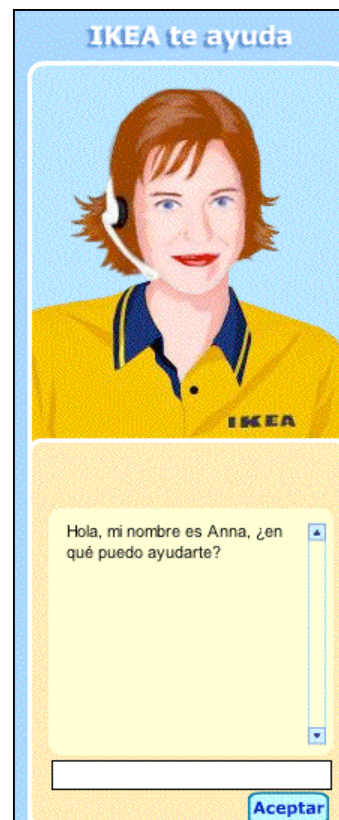
## Supporting Customers, One Country at a Time

Successful customer support requires much more than providing a “store locator” feature on your Web site. IKEA certainly makes its store locator easy to find and use; this one is from the Spain site.

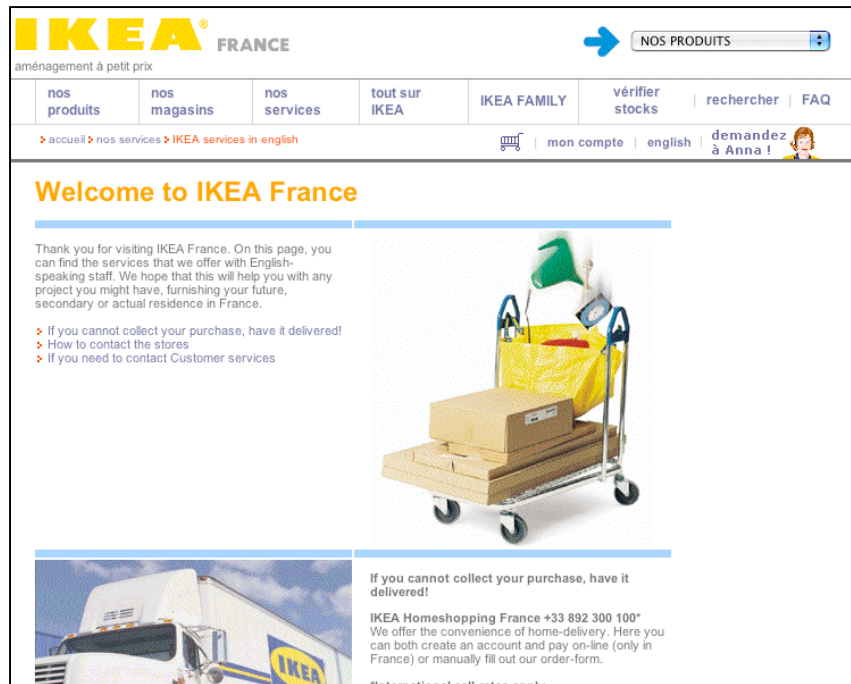


But IKEA also provides some nifty features that other retailers often do not provide, such as a local-language Web-based chat application, shown here, also from the Spain site.

In addition, IKEA provides Web users with the ability to enter an item number to see if a desired product is in stock at their nearest location – a great way to save customers from making wasted trips. This feature integrates nicely with IKEA’s direct mail catalog program; a customer can simply plug in the item number from the catalog and then head off to the store.



Sometimes localization is about providing support for those people who aren't truly local, such as expatriates. For example, the IKEA France site provides English content for customers who may not yet speak the language.



The screenshot shows the IKEA France website with a navigation menu in French. A dropdown menu is open, showing 'NOS PRODUITS'. Below the menu, there are links for 'nos produits', 'nos magasins', 'nos services', 'tout sur IKEA', 'IKEA FAMILY', 'vérifier stocks', 'rechercher', and 'FAQ'. A breadcrumb trail reads 'accueil > nos services > IKEA services in english'. There are also links for 'mon compte', 'english', and 'demandez à Anna!'. The main content area features a 'Welcome to IKEA France' heading, a thank-you message, and a list of services: 'If you cannot collect your purchase, have it delivered!', 'How to contact the stores', and 'If you need to contact Customer services'. An image of a shopping cart with boxes is shown. Below this, there is a section for home-delivery with the text: 'If you cannot collect your purchase, have it delivered! IKEA Homeshopping France +33 892 300 100\* We offer the convenience of home-delivery. Here you can both create an account and pay on-line (only in France) or manually fill out our order-form. \*International call rates apply.'

## 80% of the World, and Then Some

There are now more than a billion Internet users around the globe. But only a third of these Web users are native-English speakers. To communicate with roughly 80% of these Web users, you need to support the following 10 languages:

1. Chinese
2. Spanish
3. Japanese
4. German
5. Korean
6. French

7. Italian
8. Russian
9. Portuguese (Brazil)
10. Arabic

IKEA supports these languages and many more – a total of 26 languages in all. By my calculations, this means that IKEA communications with 85% of all Internet users globally.

### **Not Standing Still**

IKEA continues to add localized Web site at a slow but steady pace. Last year, the company added a site for Romania. And it's not difficult to predict which sites will be added next.

IKEA has a store opening in Greece in October, no doubt to be met with a localized Web site – a Web site that looks a like any other IKEA site, but distinctly Greek.

### **About the Author**

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