



The Northern Scot

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TRAVEL writer Ron Smith has been to Sweden on the trail of the remarkable IKEA story. From a five-year-old boy selling boxes of matches, it has grown into one of the biggest brand names in the world...

advertising

IKEA is one of the top global brand names, but how many people know the remarkable story behind it? The IK stands for Ingvar Kamprad, the man who started the company and still ensures that it continues to operate in the ethical, human, down to earth philosophy that he believes in.

IK was born in a poor part of Sweden known as small-land. Life was based around the small farms, trying to make a living from poor soil and short summers. In 1926 the five-year-old IK, brought up with typically Swedish values of hard work, thrift, equality and honesty, decided to start selling things. He bought some boxes of matches and went round the neighbourhood selling them. He had read that a famous Swedish financier had started out by selling matches, so he would do it too.

He then caught fish in the many lakes in the area, and sold them. Gradually he built up his business, trading in Christmas tree decorations, seeds, and pens and pencils. The ball point pen sales flourished, and his supplier invited him to Paris.

IK was now grown up and realised that the future lay in providing a whole range of good quality goods at low prices. He started to advertise in newspapers, and in 1951 issued his first catalogue. Delivery of the orders was simple. He wrapped up the orders in brown paper and string, and put them on the wooden stage at the end of the farm road, with the milk churns. The milk van picked them up and dropped them off at the railway station, and the trains made the deliveries. In bad weather, the parcels got wet, so IK built a small shed, the size of a phone box, to protect them.

Today, a copy of the shed is the doorway to the IKEA museum in the basement of the IKEA Hotel in Almhult, where it all started. The nucleus of the collection of small objects was found in the loft of IK's granny's house. To encourage the youngster, she had bought a sample of everything he wanted to sell, and put these things away in a big box. The museum is arranged so that you progress through rooms furnished in IKEA style from the 1950s through to today. Some of the designs didn't work, and they are keen to point these out and explain what they learned from their mistakes – a strong theme throughout the IKEA philosophy.



The IKEA hotel.

When a small furniture factory became available, IK bought it. The people in small-land around Almhult usually had a sideline job to make a living, and often this used the wood from the vast forests that still surround the town. These small one-man businesses provided many components for the furniture factory. IK started selling by mail order carpets that he bought from Belgium. He built up a large database of customers and began bulk buying the material for furniture covering, passing the savings on to the small manufacturers around him, thus ensuring that the products he bought from them to sell under the IKEA banner were always at the lowest cost.

The flat-pack concept came about by tackling a problem in a typical IKEA way. A table was made in the shape of a leaf, with three legs. It was difficult to pack, suffered damage in transit, and the packaging transported mostly air. The solution, of course, was to pack the legs flat with the table top, which saved a lot of money. In 1952 IK took a stand at a trade fair in Stockholm, and his quality furniture at factory prices was a huge success. It upset the traditional furniture manufacturers who told suppliers that if they worked for IKEA they would not get any more orders from them. Undeterred, IK signed up the suppliers to make specific things just to his style. In 1957 IKEA ran its own trade fair, with designed and built furniture, and built a permanent showroom above the factory in Almhult, bringing people from far and wide. IKEA gave away roof racks at cost so customers could take the product from the factory. A new outlet was needed in Stockholm and in typically thrifty fashion, a low cost location was found on the edge of the city, easily accessible by car. It was filled with room settings of his furniture. An immediate success and they couldn't cope with demand. A simple IKEA solution was to have the customers go into the warehouse and pick up their goods. Again it reduced costs.

However, an unexpected problem arose. People came just to look, or for the experience. Maintenance costs rose so what could be done. Charge an entrance fee? No, provide a range of small items, kitchen and home accessories, that everyone could afford.

IKEA tackled the perception of low cost, low quality by establishing a quality mark and standard testing. Would the concept work outside Sweden? To try it, the toughest of markets, Switzerland, was chosen. A small store was opened in Zurich in 1973, and by 1981 it was the largest one outside Sweden. The company has never looked back, and now has shops in many countries throughout the world.

If you want to experience the IKEA spirit, go to Almhult. It lies 1 hour 20 minutes by train north of Malmo, around two hours by direct train from Copenhagen airport, which has direct flights from Aberdeen. Many IKEA people go there for training, and this gave rise to another problem – lack of accommodation, so IKEA built their own 151 bedroom hotel in 1964. Full of IKEA furniture, it is a short walk from the station. Almhult has a town population of 8,700 and 15,500 in its wider community. Incredibly, it has 14 hairdressers' shops. The hotel can be found on www.vardshuset.nu Tel. 00.46.476.64.11.00 A holiday destination with a difference! More information on the area can be found at www.visit-smaland.com. English is the second language, and prices (in Swedish Kroner) are about the same as in the UK. You can go to www.ikea.com to see the current range.