

Unconventional business model

1. Look at the photographs and discuss the questions.



- Do you enjoy doing the activity in the first picture?
- How could the two pictures be connected?

2. Discuss the differences between the words or phrases in each pair. Then, decide which of them you can see in the pictures in ex. 1.

- a) retailer / wholesaler **retailer – sells to the public; wholesaler – sells to businesses**
- b) warehouse store / department store **warehouse store – sells large quantities; department store – sells a large variety of goods**
- c) flat-packed furniture / preassembled furniture **flat-packed – sold in flat boxes to be put together by the customer; preassembled – assembled before purchase**
- d) unconventional product names / unoriginal product names **unconventional – unusual; unoriginal – boring**
- e) designated road / winding road **designated – indicated that it is the one to be used; winding – repeatedly turning in different directions**
- f) maze / path **maze – a complex system of paths with an exit that is difficult to find; path – route**

[Suggested answers – picture 1: flat-packed furniture; picture 2: retailer, wholesaler, warehouse store, flat-packed furniture, designated road, path]

3. Complete the following sentences with one word each. The first letters are provided. Use the definitions in brackets to help you.

- a) Some people don't understand the store **l**ayout. (the way something is arranged) **T** [00:13]

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- b) Flat packing is **arguably** their largest invention. (used when the speaker thinks that their belief can be proven) **NM**
 - c) The fact that there are designated paths doesn't **necessarily** mean that the customers must follow them. (used to say that something may not be the case) **F [01:00]**
 - d) The floor plan **resembles** a maze so that customers stay interested. (looks like) **T [01:27]**
 - e) The **frustratingly** winding paths are supposed to inspire people to spend money. (annoyingly) **T [01:44]**
 - f) Flat packing **massively** reduces the shipping costs. (heavily) **NM**
4. Watch the first part of a **video** [https://youtu.be/tkfq__rdoD0] about furniture retailer IKEA (to 02:11) and decide whether the ideas in ex. 3 are true (T), false (F) or are not mentioned (NM) in the video.
5. Watch the second part of the **video** (from 02:11) and take notes on the following.
- a) the IKEA effect – **Consumers become attached to the things they put effort into making, therefore IKEA's customers have positive feelings towards the furniture they assemble. Another example is an instant cake mix: consumers preferred to add fresh egg to the mix, which made them feel they had put some effort into making it. [02:12]**
 - b) price tags – **IKEA sometimes starts by creating the price tag for a product first, e.g. a \$1 light bulb. [03:09]**
 - c) the founder's idea – **He came up with the idea that furniture could be flat-packed to reduce the cost of transportation. [04:23]**
 - d) democratic design – **It's the philosophy behind IKEA's success. Everything about the product is balanced: price, form, function, the aesthetic, the sustainability. [04:56]**
6. Discuss the questions.
- Which of the ideas that added to IKEA's success do you find the most unconventional?

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- Would you be keen on assembling your own furniture or would you prefer for furniture to be sent to your house preassembled? Think about your effort, time and money.
- Can you think of any other strategies which stores use to make customers enjoy the place and spend more money?
- Can you think of any other companies that have used the IKEA effect to their advantage? Consider food, clothing, entertainment. [create your own chocolate box, customize your shoes, Netflix – customize your free time]
- Why do you think IKEA came up with the idea of a \$1 light bulb?
- Imagine you are developing a \$1 light bulb for IKEA. What steps would you take to make sure that the idea is worthwhile?
- Do you think that democratic design is something that can help society, or is it just another slogan created to boost sales?



7. In pairs, discuss a possible business model for one of the shops below. Use the questions to guide you. Then, present your ideas to the class.

confectionery shop

pet furniture shop

shoe shop

toy shop

- What products will you design and manufacture?
- How will you distribute the products?
- How can you use the IKEA effect?
- How can you use the philosophy of democratic design?
- Will you be able to come up with price tags first? How will you make sure the products are profitable?
- Is there any way you can make your shop unconventional, to stand out from the competition?

[The next activity is only included in the Teacher's Version. You could use it as homework or as revision in the following lesson. Answer key: a) necessarily, b) designated, c) arguably, d) unconventional, e) frustratingly, f) winding, g) assembled.]

8. Complete the sentences with the correct forms of the words in the box. Two words are not used.

argue	assemble	convention	democracy	
designate	frustrate	necessary	massive	wind

- a) The fact that something is expensive doesn't mean it's good.
- b) The area is for children.
- c) Last year was the best for the company so far.
- d) As a teenager, he started wearing clothes.
- e) The journey felt slow.
- f) I hate driving on roads.
- g) The aircraft will continue to be in Belgium.