

**Organisational learning and consumer learning in foreign markets:
A case study of IKEA in Japan**

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Notes:

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ABSTRACT

Purpose

The aim of this research is to explore the mutual relationship between organisational learning and consumer learning in internationalisation. We would like to build a model on dyadic knowledge management in foreign markets and apply the framework to a case study.

Design

We develop a theoretical framework to examine the combined learning process of organisational learning and consumer learning at different stages of internationalisation. The research employs a single case study of IKEA in Japan. A qualitative approach has been conducted with three interviewees who have experiences in shopping in IKEA.

Findings

We find out that the combined learning is related to a positive effect in international markets. Moreover, organisations learn to adapt to customer's needs and markets in the host country but the mutual adaption of organisational learning and consumer learning only happens when consumers are willing to learn to adapt to the company's business model.

Research limitations/implications

This paper contributes to the literature on organisational learning in foreign markets. We argue for a dyadic approach and stress the importance of mutual learning between the organisation and consumers.

Practical implications

The paper has managerial implications regarding knowledge management in international markets and provides a better framework for service companies targeting culturally and institutionally diverse countries.

INTRODUCTION

There are a number of current theoretical and empirical studies that have examined the role of organisational learning in international expansion (Lord and Ranft, 2000; Hutchings & Michailova, 2004). Learning local market knowledge at the pre-entry stage is considered as a dominant factor in the successful internationalisation of firms (Zheng, Khavul and Crockett, 2012). But internationalisation is a risky decision. To mitigate this liability of foreignness, MNEs need to gain and manage local knowledge. Customers always have a critical role in the success and failure of service organisations. However, most prior studies have examined organisational learning and consumer learning separately. In this paper, we will take a dyadic view and argue that organisational learning in international markets is a mutual process between the MNE and the customers. Consumers living in host countries are not always willing to buy foreign products and services due to different cultures and tastes in purchasing behaviour (Samli, 2013: p.2).

To fill in the gap, we will examine combined learning from a dyadic perspective of organisations and consumers in the service sector. The process of mutual learning is particularly relevant in the service sector, since service companies have to understand host countries in general, and their customers in particular. Most prior studies argue that service companies need to learn from consumers and understand markets in host countries. Consumers, on the other hand, needs to learn knowledge about products and services to facilitate the decision to purchase or re-purchase (Schiffman et al., 2013). The role of consumers cannot be overstated in the service sector.

The main contribution of this paper lies in the mutual adaptation of learning between an international company and its customers. We will develop a theoretical framework which looks into different stages of organisational learning in foreign market entry (the pre-entry stage and post-entry) stage. Our study suggests that organisations learn actively before and during internationalisation while consumers somehow passively learn at post-entry. The paper contributes to the literature on internationalisation in foreign markets. Firstly, we are among one of the first authors to develop a systematic framework about mutual learning for MNEs in international markets. Although there have been some studies in learning, the international context is not as explicit in the entry process. Thus we contribute to the organisational learning literature by adding the international context. Secondly, we distinguished between the pre-entry stage and post-entry stage. In doing so, developing a process-based model to examine how organisational learning evolves over time. Thirdly, the outcome of the study would also contribution to the literature of international business by examining the details of how to enter a foreign market.

The study is carried out on a case study of IKEA in Japan. IKEA is one of the largest retailers in the world. During IKEA's international expansion, IKEA opened its first stores in Asia in Japan in 1974. However, IKEA withdrew its businesses from the Japanese market in 1986 due to a lack of Japanese local market knowledge and strong local competition. However in 2006, IKEA opened its first store in Funabashi, Japan after five years of preparation from 2001 to 2006. Hence, this case study of IKEA may help in exploring ideas and information about organisational learning at pre-entry stage and consumer learning at post-entry stage in terms of internationalisation.

The rest of the paper is structured as follows. The next section provides our theoretical framework. Section 3 presents the hypotheses following the theory development. Methodology is detailed in Section 4, followed by detailed case analysis and findings in Section 5. The paper concludes with a discussion and conclusion section which highlights the contributions of the article in terms of theoretical contribution and managerial implications.

THEORY AND HYPOTHESIS DEVELOPMENT

Organisational learning plays an important role for firms when entering new markets. As the root of difficulties and challenges of an international firm, organisational learning is considered as a rich and complex process of transferring *local market knowledge* during internationalisation (Lord and Ranft, 2000). Local market knowledge includes specific knowledge of the host country regarding its language, culture, politics, society, economy and local competitors (Inkpen and Beamish, 1997). Therefore, learning local market knowledge critically contributes to the success or failure of an organisation in a new market. In this paper, learning is conceptualised as a source of knowledge creation and we distinguish between organisational learning at different stages of internationalisation, i.e. pre-entry and post-entry.

Organisational Learning at Pre-entry Stage of Internationalisation

An organisation needs to learn and gain experience prior to its international expansion because the learning pre-entry experience is an important determinant of firm's performance and survival during internationalisation (Fonata and Nesta, 2010). Organisational learning at the pre-entry stage relates to identifying potential difficulties occurring with local government, local partners and any challenges of adapting products and process to different cultures and requirements; and strong local competition (Lord and Ranft, 2000). Few studies have directly examined how an organisation gains pre-entry experience as well as how pre-entry experience affects organisations after entry in cases of internationalisation (Zheng et al., 2012, p.232). Learning and internationalisation does not always result in positive improvements/outcomes due to mistakes, unexpected events, and myopia forces (Levinthal and March, 1993).

There are two main ways that an organisation acquires and transfers local market knowledge at the pre-entry stage: An organisation can *directly* gain experience through "after-action" reviews or past events (Ellis and Davidi, 2005; Morris and Moore, 2000) and organisational search (Levitt and March, 1988, p. 321). The likelihood that these mechanisms are used depends on the history of success and failure of an organisation (Radner, 1975). According to Madsen and Desai (2010, p.452), an organisation learns more from past failures than from past successes, leading to organisational search in response to failure. For instance, cases of retail companies including the many trials and tribulations of Ahold, Wal-Mart, and Lane Crawford in various countries in Asian markets (Burt, Dawson and Spark, 2003) have proved that even though these companies were accustomed to stunning successes in previous international expansion, they were not able to apply their business model in Asian countries due to lack of prior direct experience of Asian market knowledge (Gandolfi and Strach, 2009, p.187). These cases have also indicated that organisational success leads to stable knowledge in an organisation while failure challenges organisational knowledge (Madsen and Desai, 2010, p.452).

Pre-Entry organisational knowledge can be internally learnt, gathered and transferred within an organisation from individuals to groups and organisations through organisational activities (in-person conversations, meetings, task forces and phone calls) or documents and messages (Lord and Ranft, 2000, p. 574; Crossan et. al., 1999). On the other hand, an organisation also receives information from the external environment through feedback instruments such as consumer-research, public comment, and policy-evaluation (Choo, 2001). Feedback information allows an organisation to directly learn from both its past failures and its successes in order to adapt its strategies, adjust its goals and fit itself to the new environment (Argyris and Schon, 1978). These actions will help a firm reduce "*liabilities of foreignness and newness*" at entry to shape its competitive positioning in the new market (Zheng et al., 2012, p.233). An organisation itself always confronts both the internal and external influences. However, pre-experience learning and

local market knowledge will not be able to occur if internal and external environments are too complex and unpredictable to handle (Foil and Lyles, 1985: p.805). Indeed, it will be difficult for an organisation to respond to every change if the environment is too turbulent (March and Olsen, 1975).

In addition, organisations learn directly from their own experiences through existing information internally transferred within organisations and the feedback information from external environments. However, it can be clearly seen that learning only from past direct experience will limit the flexibility of an organisation because it ignores new information and ideas from newcomers (Taris and Feij, 2004: p.544) or from other organisations. As a result, organisations will lack external knowledge that is very important to internationalisation. According to Levitt and March (1988, p.329), organisations can capture external knowledge from encoded experiences in technologies, procedures or similar frameworks of other organisations. For international firms, the expansion into foreign markets requires a large amount of information from foreign environments, leading to a focus of international experience at the early stage of internationalisation by utilising other sources of knowledge (Bruneel, Yli-Renko and Clarysse, 2010, p. 165). Hence, learning experience from other organisations will provide international organisations with both useful knowledge and capabilities needed for internationalisation.

An organisation can gain *external* knowledge through international alliances and cooperative working (Emden, Yaprak and Cavusgil, 2003, p.884) and through organisational imitation (Levitt and March, 1988, p.330). Especially, if an organisation only passively learns from its alliances and partner's strategies, it may tend to a "passive organisation", which easily fully adopts whatever information it is given by environment (Choo, 2001). For example, a passive company would be able to pay attention to what and how local companies or its partners are doing before entering new markets, then simply mirror their strategies. In contrast, other organisations will actively seek to learn new knowledge from the environment by dynamically preparing plans to forecast and explore the issues regarding new markets or hire external consultants, these are referred to as "active organisations" (Choo, 2001). Nevertheless, both passive learning and active learning also heavily rely on the experiences of others and thus cannot be considered as first-hand experiences, which are considered as an important factor of competition in international business. In general, pre-experience of local market knowledge is important because it forms the foundation for the conditions that affect post-experience after international entry as well as an organisation's survival in foreign markets (Bayus and Agarwal, 2007: p. 1889).

Consumer Learning at Post-entry Stage

Similar to organisational learning, consumer learning is also a *process of learning* in order to gain knowledge and experience about products and services which affects buying decision in the future. According to Han (1990), consumers living in different countries have significantly different perceptions and behaviours about products and services. Hence, when a company wishes to expand its business internationally, understanding demand and the behaviour of local consumers is one of the most important areas of local market knowledge to research at the early stage of internationalisation. Although internationalisation in some circumstances is the linkage of the world economy, consumers are not always willing to buy foreign products due to different cultures and tastes in purchasing (Samli, 2013: p.2). It would therefore be useful if, consumers were to learn about and experience different products from other parts of the world.

International business is characterised by cultural differences and complexity of products and the consumer is the key to success. According to Ariely (2000: p.234), information about products

and services given by organisations allows consumers to acquire knowledge that enables their individual knowledge in ways that fits their needs and choices. Moreover, the success or failure of an international business is directly affected by consumption of the product or service by local consumers (Shaw and Clarke, 1998: p.163). Therefore, local market knowledge gained at the pre-entry stage of an organisation literally influences information on the consumer learning experience at the post-entry stage of internationalisation.

There are two types of consumer learning process that occur post-international entry: A great deal of consumer learning research has indicated that most consumers learn from *external* information sources such as advertising and product experience (Erdem, 1998; Narayanan et al., 2005; Zhang, 2010; Zhao et al., 2013). According to Daugherty, Li and Biocca (2008), advertising exposure can provide consumer awareness for unknown products while direct product experience will generate trust for a consumer. Consumers in the 21st century are more active in learning due to the development of technologies and communication (Samli, 2013: p.5), leading to a higher level of consumer awareness in term of products, services, and quality. However, learning from advertising has little influence on consumer learning because it is a biased source of information (Daugherty, Li, and Biocca, 2008). In the international context, consumers are willing to purchase foreign-made products and services after reading recommendations and reviews or past experiences (Zhao et al., 2013: p.154) because they often make comparisons between local and foreign brands. As a result, in order to give right and appropriate information about products and services to local consumers during internationalisation, pre-experience of local market knowledge of an organisation must be correct and sufficient.

Alternatively, consumers can learn about information of products by transferring knowledge from familiar products to new products (Gregan-Paxton and John, 1997: p. 267), i.e. consumers themselves use *internal* knowledge to understand something unfamiliar. This process is more important to consumer learning in term of internationalisation due to differences of cultures, languages and consumer behaviour between home and host countries (Alden et al, 1999; Brosekhan and Velayutham, 2013). An empirical study undertaken by Guo, Hao, and Shang (2011: p.265) has indicated that consumer need, drives consumer brand purchase and consumer behavior. Additionally, some consumers learn about new products and services very quickly, whilst others take more time to acquire their knowledge, this affects the speed of changes in future buying behaviour and adaptive value in term of consumer goals (Amue and Adiele, 2012, p.102). Furthermore, if a consumer has no knowledge of unfamiliar products and services, his/her *perception* of a company are much more important than their knowledge of objective reality. For example, Chinese consumers are more likely to depend on a brand name to evaluate the quality of a product than consumers in the West (Nisbett et al., 2001). As a result, it affects consumer learning at post-entry of new foreign products and services because consumers tend to focus on brands they already know when making a purchase decision.

The Mutual Adaption of Corporate Learning and Consumers in International Contexts

Market-seeking is one major motivation for many organisations to expand into foreign markets. However, not all internationalisation attempts are successful. From the literature discussed above, pre-experience of local market knowledge of an organisation has a significant influence on the transfer of external knowledge of consumer learning at post-entry stage in internationalisation. Conversely, the transfer of internal knowledge of the consumer is less influenced by pre-experience of local market knowledge of an organisation. Consumer perception of a company is

more likely to depend on how a company builds up its brand through its business activities and previous experiences. Hence,

Hypothesis 1: Organisational learning at the pre-entry stage is related to consumer learning at the post-entry stage in internationalisation.

Jonsson and Foss (2011) have recognised that in principle, organisations may use replication strategy to expand their business from home countries to foreign countries. However, it does not mean that organisations will apply exact replication of a fixed format as recommended by Winter and Szulanski (2001) in their “*Replication-as-strategy*”¹ literature but using flexible replication strategy (Jonsson and Foss, 2011). The reason is replication strategy ignores local market knowledge, leading to a lack of local adaptation. For instance, Gandolfi and Strach (2009) have examined the case of Wal-Mart’s entry in South Korea, and have concluded that Wal-Mart has made an error when replicating its retail format (e.g. distribution, product mix, promotion strategies) without understanding market differences, resulting in a lack of fit of format in the Korean context.

The literature of organisational learning and consumer learning has indicated that learning is a process while positive outcomes are considered as the goals of learning (Dodgson, 1993, p.378). Early research in the field of internationalisation has strongly emphasised the external barriers such as consumer tastes, recruitment and staffing, language and different competitive conditions (Alexander, 1990) as well as the internal barriers including the longevity of experience in domestic market, retail formulae (i.e. brand names, images) (Alexander, 1995) and “lack of fit” between foreign customer acceptance and the foreign formulae (Dressman, 1980). Consequently, it requires the need for learning to adapt and improve efficiency in the face of the uncertainties and changes of environment (Foil and Lyles, 1985, p.803). In other words, learning is the highest form of adaptation (Dodgson, 1993, p.378). Moreover, adaptation includes an understanding of the differences between home and host countries as well as differences in consumer needs within the host country (Schroder, 2014, p.53). The hypothesis is formulated as follows:

Hypothesis 2a: In the mutual learning process, MNEs in the service sector tends to learn and adapt to customer’s needs in the host country.

Elliott and Cameron (1994: p.49) have confirmed that locally-made products have a positive influence on product choice due to governments encouragement for consumers to “buy local”. Hence, consumer attitudes to local and foreign products and services are extremely important to international organisations. Indeed, there are a large number of studies which have explored how international companies have made attempts to win local customers while studies of how customers learn to adapt foreign company’s business model have received limited attention from researchers.

Most literature of consumer learning has only focused on the how consumers learn about products and services but not the business model. Literally, “*business model is a reflection of the firm’s realised strategy*” (Casadesus-Masanell and Ricart, 2010: p.195). Additionally, the business model is also related to some managerial concepts (Morris, Schindehutte and Allen, 2005: p.727). Therefore, it is quite difficult for customers to learn about the business model. A good business model is related to *the value provided to the customer and the abilities of an organisation to*

¹ Replication, a familiar phenomenon sometimes referred to as the “McDonalds approach,” entails the creation and operation of a large number of similar outlets that deliver a product or perform a service (Winter and Szulanski, 2001).

capture value in the process of serving the customer (Casadesus-Masanell and Ricart, 2010). A number of large and successful international companies have failed in their internationalisation attempts in foreign markets (Bianchi and Ostale, 2006: p.141). This implies that the business models of those companies have been incompatible with local markets, leading to the search for a proper business model in foreign markets (Gao, 2013: p.175). Nevertheless, consumers, regardless who and where they are, should learn at least a little about products and services so they will be able to decide to purchase or re-purchase (Samli, 2013: p.141). As a result, if consumer needs are satisfied by the products, services and brands, consumers are more likely to adapt the business model. The Hypothesis 2b is formulated as follows:

Hypothesis 2b: In the mutual learning process, customers in the host countries would learn to adapt to MNE's business model.

Insert Figure 1 about here

Figure 1 shows the theoretical framework of the paper.

METHODOLOGY

Data and Sample

The single case study of IKEA in Japan is chosen since Japan was the first country in Asia that IKEA considered to internationally expand its business in the 1970s. Due to a lack of Japanese local market knowledge and strong local competition, IKEA made the decision to withdraw from the Japanese market in 1986. Twenty years later (2006), IKEA decided to re-enter the Japanese market after spending five years (2001-2005) for preparation before the return to Japan. Hence, this case study of IKEA may help in exploring ideas and information about organisational learning at the pre-entry stage and consumer learning at the post-entry stage in terms of internationalisation.

Semi-structured interviews were selected as the primary data collection method in order to gain a deeper understanding of consumer learning at post entry of international company. Three interviewees are all living in Sendai city (Japan) where an IKEA store is located (Table 1).

Insert Table 1 about here

Participants agreed to have interviews recorded and their ages and occupations revealed. A set of predetermined open-ended questions was prepared for every semi-structured interview. Additionally, secondary data including Japan overview, Japanese furniture market overview and IKEA information provided qualitative information about pre-experience learning of an international organisation and quantitative data of company performance to support the analysis. The main sources of secondary data are combined with academic articles from reputable, peer-reviewed management journals, other publications from well-established authors in the form of books or online articles literature, journals, articles, textbooks and the official website of the company (financial statements, news releases, etc.)

FINDINGS

Organisational Learning

Organisational learning at the pre-entry stage in relation to IKEA's failure on the Japanese market at first entry (1974-1986)

In 1974, IKEA had decided to embark upon expansion into the Asian market following its highly successful expansion into most European countries at that time. According to Jonson and Foss (2011), choosing the right rationale for entering the Swiss market in 1973 had made Kampard believed that IKEA probably could be successful in other markets such as the emerging Asian market. However, IKEA did not realise the significant role of local market knowledge in the success and failure of a company. Lack of prior experience with international market will lead to “*liabilities of foreignness and newness*” at the entry (Zheng et al., 2012).

Firstly, when entering into the Japanese market, IKEA only had experiences in four European countries; Norway (1963), Denmark (1969), Switzerland (1973) and Germany (1974) so it had no research or experience of an Asian market, especially the Japanese market and customers before the entry. However, this expansion in Japan was considered to be an unplanned action because IKEA had just sold its products through Japanese firms (Jonson and Foss, 2011). Indeed, the export department had sold products at high prices but IKEA only had small corners inside big malls because of to the Large-Scale Retail Store Law in Japan (Reithmuller and Chai, 1999) to display its products and this in itself was a flagrant violation of IKEA’s established concept (Jonson and Foss, 2011). Secondly, IKEA would expect customers to get involved in the company’s activities as well as reducing distribution and storage cost through its established self-service and self – assembly concept “*We do our part, you do your part, together we save money*”².

However, Japanese consumers at that time were not ready for the “self-service and self-assembly” concept because Japanese consumers were only accustomed to a high level of service (Bloomberg, 2006). Thirdly, IKEA had to face strong competition from established local furniture companies such as Mujirushi Ryohin (also known as Muji) and Nitori (Watanabe, 2015). Certainly, these local brand names had the advantage of a better understanding of the local market and low-cost imports from factories in China, Thailand, Malaysia, Indonesia and Vietnam (Bloomberg, 2006). Lastly, IKEA did not pay attention to the space constraints of Japanese houses and thus the Scandinavian style furniture from Sweden did not fit small-space living (Onkvisit and Shaw, 2009). Overall, as the comment of Anders Dahlvig (The Local se, 2006), the Group President and Chief Executive Officer of INGKA Holding B.V. between 1999 and 2009, he admitted that “*I think last time in the 1970s it was way too early to come to Japan*”. He also added that the withdrawal from Japanese market was an appropriate decision to correct a big mistake of IKEA because there was no sufficient supply network to be provided in operations in Asia at that time (The Local se, 2006).

From the withdrawal of IKEA from the Japanese market in 1986, the significant role of pre-experience and learning on firm survival in term of internationalisation (Fonata and Nesta, 2010) can be acknowledged. If IKEA had acquired certain pre-experience of local market knowledge, it would have gained unique sources of knowledge to improve its competitive advantage in order to achieve success and compete against local competitors (e.g. Muji and Norito) in the Japanese market (March 1991). In other words, organisational learning before international entry helps the company to identify and correct its mistakes (Argyris, 1977, p. 116). In this case, a lack of local policy knowledge, lack of knowledge of Japanese culture and living styles, an insufficient supply network and could thus have avoided failure when internationalising into this market. Moreover, the early global expansion into Japan was just an unexpected chance due to a significant growth of the Japanese economy in the early 1970s (Ohno, 2006) rather than a complete and careful business plan, IKEA, therefore, would not be able to respond to negative consequences from the

² IKEA n.d *IKEA business model*

host country. At that point, Tommy Kullberg also commented that both IKEA and Japanese consumers and market were not ready for each other (The Local se, 2006).

Organisational learning at pre-entry stage regarding IKEA's second entry to the Japanese market (2006 until now)

Since organisational learning is a rich and complex process of transferring local market knowledge during internationalisation, especially at the pre-entry stage (Lord and Ranft, 2000), IKEA therefore only decided to re-enter Japanese market fifteen years after its first failure in 2001. Moreover, government policy is also a specific knowledge of a host country which affects the decision making of an international company (Inkpen and Beamish, 1997). In 2000, the new Large-scale Retail Store Law replaced the old law (Reithmuller and Chai, 1999) and had given motivation to IKEA to attempt to enter the Japanese market one more time. IKEA finally felt more confident with its international markets around the world, for instance, Canada (1976), USA (1985), Russia (2000), Australia (1981) and especially Asian market like China (1998)³. After establishing IKEA Japan K.K in assistance with *Japan External Trade Organisation (JETRO)*⁴ in 2002 (JETRO, 2015), the company still decided to spend five years just for preparation instead of officially opening stores.

Indeed, the second entry in Japan received full of confidence from its senior managers. *Anders Dahlvig*, CEO of IKEA at that time, spoke in the grand opening of the first mega-store in Tokyo (Funabashi) that IKEA would perform better at the second attempt. He also emphasised that Japanese society was much more open than before so it could help IKEA catch a pivotal role as a stronger company in the Japanese market (Bloomberg, 2006). Although IKEA still met its challenges with how to help Japanese consumers feel engaged and more connected to self-service and self-assembly concept; however, Tommy Kullberg, the Former President and former CEO of IKEA Japan KK, still believed that IKEA already had a good preparation before re-entering a second time with the confident announcement "*We are meeting the most demanding customers in the world, used to high quality and high service levels. Anyone operating in this market has to satisfy these demands*" (The Local se, 2006).

IKEA learnt from its direct experiences

As Kullberg said, IKEA has learnt from its past mistakes when they previously failed to conduct market research in order to understand the Japanese customer needs (The Japan Times, 2006). One of the factors in the initial failure was the traditional Scandinavian size of IKEA products (Onkvisit and Shaw, 2009). Therefore, the Company assigned a team lead by Tommy Kullberg to visit more than one hundred Japanese homes to conduct extensive research about Japanese consumer behaviours and lifestyles (The Local se, 2006). Moreover, IKEA established the Young Professional Programme (YPP) to recruit people (50 people for the first programme and 35 people for the second programme) in Sweden but speaking Japanese and people particularly familiar with Japanese culture (Dawson and Mukoyama, 2014). The YPP programme aimed to send participants to Japan to live and work for a period of time before assigning them to manage the work of setting up and opening stores in 2006 (Dawson and Mukoyama, 2014). The knowledge of the Japanese market and consumers from individual learning was learnt and transferred internally among each

³ IKEA n.d *Milestones in our history*

⁴ JETRO - Japan external trade organization is a government-related organization that works to promote mutual trade and investment between Japan and the rest of the world, with the focus toward promoting foreign direct investment into Japan and helping firms maximize their global trade potential

member of the team (Crossan et.al, 1999). Additionally, individual knowledge also contributes to the learning (Crossan et.al, 1999) such as Kullberg's own experience about Japanese living styles after living and working in Japan for fourteen years as well as experiences of people in the YPP-program recruitment.

IKEA learnt from its other experiences

However, it is inadequate if IKEA only learns from its own past events (Ellis and Davidi, 2005; Morris and Moore, 2000). IKEA acknowledged that main local competitors (Muji and Nitori) were well-entrenched (Muji 257 Stores, Nitori 216 Stores), inexpensive and popular local brands (Harapiak, 2013). Consequently, learning from local companies also brings good experience for IKEA. According to Bloomberg (2006), IKEA has gained the ideal experience from its local competitor Nitori about creating supply centers and warehouses in Asian countries for cost-saving and avoiding delayed stock. This action can also solve *flagrant violation of IKEA* low-prices concept at first entry. Nonetheless, unlike most foreign retailers, IKEA has preferred to buy land instead of leasing stores in order to build a giant warehouse in cities with a population of a million or above due to long-term view of its business (The Financial Times, 2007).

From the well-prepared and ambitious expansion plan for the second entry, it can be seen the significant importance of pre-experience before international entry. IKEA would like to pay attention to what and how local companies were doing but it had done its business activities by its own strategies. Moreover, IKEA also had a well-prepared plan based on a rich knowledge about Japanese market at early stage of the internationalisation process. Therefore, the term of a "passive organisation" (Choo, 2001) is not right to IKEA. IKEA, in terms of organisational learning, actively searches to learn new knowledge from environment and thus being an active organisation (Choo, 2001). As the result, the first IKEA store in Funabashi opened with 40,000-square-meters (43,000-square-feet) to sell 10,000 product lines in 2006 (The Japan Times, 2006). The store also provides 2,200 car parking spaces, a children's play area and 730-seat restaurant (The Local se, 2006). Additionally, IKEA also brings a taste of Scandinavian culture to Japan by selling Swedish food at IKEA restaurant (hot dogs, Daim chocolate, fish roe paste, and lingonberry jam) (The Japan Times, 2006).

Consumer Learning

In terms of internationalisation, consumers are not ready to buy products from foreign companies because of differences in cultures and tastes (Samli, 2013). Moreover, information about products and services given by companies also affects consumer's needs and choices (Ariely, 2000).

Our interview results indicate that both female respondents have positive thoughts about Scandinavian furniture styles. Not only that, the respondent number two thinks that Western products are attractive and subtle. The respondent number one accepts to use different styles in traditional Japanese styles. However, the respondent number three does not agree to mix Northern styles and Japanese styles in Japanese house due to asynchronous matter.

Additionally, the choice of going to IKEA rather than another furniture store for most respondents depends on the price offered by IKEA. The male respondent and respondent number one have the same opinions about low-price products. Respondent number one also adds that the design of IKEA products are modern and implies Japanese house design is now modern too. Respondent number two feels interested in foreign stores in Japan so she decides to visit the IKEA store. She also enjoys her time when visiting IKEA.

IKEA consumers learn about IKEA products and services from external knowledge: visiting IKEA to get direct experience.

Most consumers learn about products and services from external information sources such as advertising and product experience (Erdem, 1998; Narayanan et al. 2005; Zhang, 2010; Zhao et al., 2013). In an international context, Zhao et al. (2013, p.154) have claimed that consumers are willing to purchase foreign-made products and services after reading recommendations and reviews or past experiences because they often make comparisons between local and foreign brands. All respondents know about IKEA through their friends. They do not mention advertising or promotion. Both respondent number one and her husband love the way IKEA display its products in the large stockrooms and that they can directly choose and collect what they want. They can also touch and test the products at the store. After directly seeing and testing IKEA products, respondent number one realised that IKEA has very modern items. Therefore, she decides to buy products at IKEA stores. Both respondent number two and respondent number three have not bought any IKEA product yet. However, after visiting the IKEA store, respondent number three would like to buy from IKEA. He also thinks that it is interesting to introduce Western culture to other friends through furniture products; especially they will have more reference of different furniture stores and cultural approaches. Whereas, respondent number two only enjoys looking at IKEA products and the coffee shop. She does not mention if she will buy IKEA products next time but she will visit IKEA again with her friends. Finally, all respondents will definitely recommend IKEA to their friends and agree to visit IKEA again.

IKEA consumers learn about IKEA products and services from internal knowledge

Gregan-Paxton and John (1997, p. 267) have stated that consumers use knowledge of familiar products to learn about unfamiliar products. Moreover, sometimes perception leads consumers to pay more attention to a company rather than knowledge of objective reality if products and services are unfamiliar (Nisbett et al, 2001). The male respondent believes that he already has experience in assembling his bed himself (not IKEA product) so he thinks it is not difficult. In terms of perception of the company, respondent number two visits IKEA because of her curiosity about a new foreign furniture store in Japan while respondent number one is attracted by the modern design of the IKEA store and products.

In general, IKEA is something new to Japanese consumers. However, the way they learn and perceive information about new products and service given by IKEA varies among different people. It can be said that the age of each consumer affects the way they learn about new products and services. Two young respondents came to visit the store out of curiosity and suggestions from their friends but they did not buy any products. They just came to look and see how Scandinavian furniture looks. However, the married female respondent went to IKEA with her family to buy things for the house. also, the feeling about Western product design of the male respondent is different from the two female respondents. While the female respondents think Scandinavian furniture is modern and attractive, the male respondent thinks maybe Scandinavian styles will be out of place in Japanese houses.

The Mutual Adaption of Learning between a Company and Its Consumers in International Context

When an international company enters any host country, it always faces a number of obstacles from both external and internal environments (Alexander, 1995). Therefore, learning about local market knowledge can help an organisation adapt and improve efficiency in the uncertainties and

changes of environment (Foil and Lyles, 1985, p.803). Dodgson (1993, p.378) has claimed in this study that learning is the highest form of adaption in terms of internalisation.

According to Burt, Johansson and Thelander (2011, p.183), IKEA is often an example of a "Standardised" approach for every market. A "Standardised" approach implies that IKEA keeps everything the same in all markets such as the same size of products, the same layout of the store and even replicates its existing business model for all foreign countries. However, the replication strategy of IKEA ignores local knowledge which comprises information and know-how about consumer tastes, recruitment, and staffing, language, different competitive conditions, domestic market and retail formulae, leading to "lack of fit" between foreign customer acceptance and the foreign formulae (Dressman, 1980). In other words, IKEA lacked experience and information about the Japanese market at the early stage of internationalisation. This is also considered as the reason for IKEA's failure at first entry.

In the second entry, IKEA had taken a number of steps for preparation over a five year period. According to Dawson and Mukoyama (2014), IKEA management had made two decisions that they had never taken previously. Firstly, IKEA did not choose from their own experienced managers but appointed Tommy Kullberg, who was totally new to IKEA as an organisation world but had a lot of experience in living and working in Japan (Dawson and Mukoyama, 2014). Secondly, following the YPP-programme, IKEA also sent its staff (85 people) who could either speak Japanese or were particularly familiar with Japanese culture to live and work in Japan before assigning them to prepare work for the grand opening of the first store in 2006 (Dawson and Mukoyama, 2014). These two activities helped IKEA gain a much deeper knowledge of the culture and lifestyles of Japanese people. It implies that IKEA requires its top managers as well as employees to obtain practical experiences and knowledge of native Japanese people. As an active learner, IKEA seemed to be following in the truly entrepreneurial spirit of its founder – Ingvar Kamprad – *"Let us do something (rather than not do something) and then learn from that"* (Dawson and Mukoyama, 2014). Moreover, IKEA has taken its standardised strategy but has adapted it to Japanese market, adopting what can now be called a flexible replication strategy (Jonsson and Foss, 2011). After understanding Japanese customer's needs and lifestyles, IKEA made the first adaptation to Japanese style in its showrooms. The concept *"Making an ideal home"* is presented at IKEA showrooms in order to inspire Japanese consumer how to get ideas and design for small space living. IKEA showrooms were set up with typical Japanese size rooms based on specific demographic groups such as a typical room for Japanese teenage boy (The Japan Times, 2006).

After doing market and consumer research, IKEA realised that both Japanese and Swedish furniture are clean and simple but only size matters (JETRO, 2015). In Japanese homes you always find small-sized light furniture due to small traditional Japanese houses, "tatami mats"⁵ and the width of one's doors and elevators (Watanabe, 2015). Additionally, the living space for one person has declined due to living with their parents, thus growing the needs for small, corner and occasional furniture (ITTO, 2004). Therefore, the second adaptation is product size. Showing a deep understanding of the living conditions of Japanese consumers, IKEA offers unique products but at a low price that fit Japanese residences (JETRO, 2015). However, IKEA's target customer is the young and middle-class group (Hill and Jones, 2007) while Japan is a country with an aging population. (Wells Fargo, 2015), and thus it is quite difficult for IKEA to achieve its targeted consumers in competition with local companies. Respondent number three suggests that Japan has

⁵ A tatami is a type of mat used as a flooring material in traditional Japanese-style room (about three feet by six feet (91 cm by 183 cm))

an aging population so elderly people are not willing to looking for products in the large stockrooms. Yet, the good news for IKEA is that the Japanese government has implemented plans, such as “The Angel Plan” in 1994 and “The New Angel Plan” in 2000 in order to encourage the fertility rate (OECD, 2008) and creating potential customers of IKEA.

The third flexible adaptation is a solution for IKEA self-service and self-assembly concepts. IKEA still keeps its "flat-pack" styles for customers to assemble themselves in Japan. However, IKEA also provides many convenient services with an extra charge for only Japanese consumers such as home delivery and assembly service and offers “Tebura de box” for delivery of small items⁶Furthermore, the reason for reducing distribution and storage costs, the further meaning of self-service and self-assembly concept is to get customers involved with the company; however, IKEA always learns and tries to connect with its customers. For instance, IKEA opened a store in Sendai city in 2011 (Ten years earlier than planned) to support the disaster area (JETRO, 2015). People living in Sendai could visit IKEA just for a fun day and did not need to purchase anything. Indeed, respondent number two who is living in Sendai said that she really had a good time at IKEA without buying anything. In principle, the IKEA concept remains unchanged, but the IKEA concept in practice, especially in the Japanese market, reflects its learning. Learning knowledge of local market at pre-entry stage leads IKEA to adapt to the Japanese market and consumers by using a flexible replication strategy.

According to Casadesus-Masanell and Ricart (2010: p.195), a business model is a reflection of the firm's realised strategy. However, when an international company fails in a foreign market, it implies that the business models of those companies have failed incompatibility with local markets (Gao, 2013: p.175). IKEA failed at first entry due to lack of knowledge about the market and customers. In the second entry, IKEA has learned and applied flexible replication strategy in order to win Japanese consumer. In return, consumers, regardless who and where they are, should learn (even a bit) about products and services so they will be able to decide to purchase or re-purchase (Samli, 2013: p.141).

In terms of products, all respondents think that IKEA designs are nice and attractive. Specifically, none of them gives opinions about IKEA product sizes. It implies that IKEA is doing right way to make unique products with small sizes specifically for Japanese consumers. Moreover, two of three respondents care about low price when they choose to go shopping in IKEA. Indeed, Japanese consumers usually perceive that the quality of a product depends on its price (Jo and Sarigollo, 2008). However, Japanese consumers are now tending to shop economically, which means that they are still willing to buy low-priced furniture due to the stagnant economy (Watanabe, 2015). Furthermore, Japanese consumers have tended to accept foreign styles of products in their houses due to the decline of domestic output (ITTO, 2004). The word “shinwayo” is commonly used to describe a new blend of Japanese and Western styles. The married respondent even thinks that it should be nice combining foreign style and traditional keeping Japanese styles while the young male respondent does not agree to mix different styles like this. Interestingly, although all opinions are important to IKEA; Japanese women take care more about furniture in their homes and are becoming more empowered (The Japan Times, 2013) and thus their decisions should be considered carefully.

Regarding self-service and self-assembly concepts which were not accepted by Japanese consumers at the first expansion, two respondents feel it acceptable and one respondent does not like it. It can be said that the value-added dimension of IKEA is different from its competitors (Czinkota and Ronkainen, 2004: p.174). Instead of only focusing on adding value from its

⁶ IKEA n.d *Customer Service*.

suppliers and passing them on to its customers, IKEA creates value through *consumer participation* (Chernatony, McDonald, and Wallace, 2011: p.390-391) in selection, transportation and assembly of its products as the aim of its business “*Bring suppliers and Customers closer*”⁷. It implies that suppliers and customers are IKEA’s long-term partnerships. However, Japanese consumers have been characterised as extremely demanding as said by Kullberg (The Local se, 2006), hence they need to learn to accept "doing everything yourself" at the IKEA store. Only the married female respondent does not mind with IKEA's concept of self-service and self-assembly. Indeed, she says that she usually goes shopping with her husband so he can help her. She and her husband only pay for home delivery if the products sizes are too big for them. Conversely, two young respondents prefer having help from IKEA staff and expertise. Even though the male respondent can assemble the products himself but he thinks that it is better and safer if being done with IKEA expertise. The young female respondent seems to completely ignore the concept. She would like to ask for help if purchasing any flat-pack product and will pay for an extra charge for home delivery. Similarly, the male respondent prefers home delivery and assembly even paying extra money. It proves that IKEA's flexible adaption to Japanese consumer behaviour is effective and efficient. Providing an extra payment for home delivery and assembly brings mutual benefits to both IKEA and its customers by satisfying Japanese consumer needs as well as generating profit for IKEA.

In terms of store design, both female respondents pay attention to the size and design of stockroom and IKEA restaurant. The young female respondent thinks that the stockroom is different from other Japanese stores. It is also very large for her to look for the products. The older female respondent meets the same problem when shopping at IKEA store for the first time. However, she admits that it is easier to use IKEA services in subsequent visits and shows her interest in the modern style of the store. It indicates that respondent number one has learned and tried to deal with the self-service concept. In contrast, the male respondent thinks that the store design is functional and simple and the stockroom size is not suitable for Japanese aging population. He also suggests that IKEA should put more colours on store decoration. Undeniably, IKEA has replicated the same basic design of stores in all markets such as large warehouse stores with the blue and yellow colours of the Swedish flag to offer its huge ranges of products. The interior of the stores requiring customers to pass through all departments of IKEA before check-out is also considered as the unique promotion strategy of IKEA (Hill and Jones, 2007). IKEA's Japanese consumers somehow learn to adapt to this issue passively. For instance, two female respondents enjoy their time at IKEA. The young female respondent loves looking at IKEA products and even connects the idea of walking through IKEA store with doing exercise.

Furthermore, the young female respondent is interested in IKEA restaurant and café more than the other two respondents. It seems to be the main reason for her to come back to IKEA again is that she would like to have coffee with friends in IKEA. Although respondent number one already had lunch with her family and used the babysitting service but she does not give any further information about it and the male respondent has never bought food or used other services at IKEA store. The value that IKEA provides to its customers is not just shopping but also entertainment. Moreover, Japanese customers, especially women are able to control their time and handle unexpected problems with their children during shopping time at IKEA stores.

Unlike doing business in other countries, IKEA does not offer to sell products online⁸. Both female respondents have no complaint about this issue. The young female respondent even does

⁷ IKEA n.d *IKEA Business model*

⁸ IKEA n.d *Customer Service*

not care if IKEA sells its products online but she thinks that it will be more interesting if directly coming to the IKEA store. Respondent number one has same opinion as the young female respondent. She would like to visit IKEA directly rather search product online. Contrary to female opinions, the male respondent prefers to buy small items online due to its convenience. The reasonable explanation for this difference is that Japanese women spend more hours in cooking, cleaning and shopping than Japanese men do (Uchida et al., 2013). Moreover, no online shopping may firstly attract Japanese customers to come to its stores and secondly customers can gain direct experience from IKEA products and its services. As a result, even though its business model causes inconvenience to some extent, Japanese consumers who love IKEA products have to adapt to it. On the other hand, IKEA will lose consumers who prefer shopping online due to travel time-saving. Nevertheless, IKEA also offers more convenient services for Japanese customer such as *shopping list online* for customers to create lists of products from IKEA's page at home including price and weight of each item in order to check if it is available at IKEA local stores⁹.

Insert Table 2 about here

In summary, Japanese consumers are still feeling strange with IKEA's business model and business concept. However, Japanese consumers generally love to explore new foreign stores opened in their countries. Moreover, Japanese consumers are gradually accepting and adapting the way IKEA creates added value for its consumers. The degree of acceptance and adaptation may vary in accordance with age and gender. Female consumers prefer to go shopping directly at the store and enjoy their time at the IKEA restaurants and other services while male consumer focuses on functions of products and services. Female consumers tend to quickly adapt to new styles and the mix of Scandinavian and Japanese styles while the male consumer is more rigid in the use of different styles in Japanese houses. Adults (or married people) seem to be more willing to learn and adapt to the IKEA original concept whereas younger adults will prefer convenient and flexible services.

Hypotheses testing results

In Hypothesis 1 we posit that organizational learning at the pre-entry stage is related to consumer learning at the post-entry stage in internationalisation. IKEA learns to gain local market knowledge before its international expansion in Japan in order to satisfy Japanese market and its customers. At the post-entry (after launching in Japanese market), IKEA's consumers are aware and learn information about products and services given by IKEA. Hence, Hypothesis 1 is supported.

Hypothesis 2a suggests that MNEs in the service sector need to learn and adapt to customer's need and market in the host country. IKEA, after learning knowledge of local market at the pre-entry stage, has made three flexible adaptations about showrooms design, product size and self-service and self-assembly concepts in the Japanese market in response to Japanese consumers and market and thus supports Hypothesis 2a.

Hypothesis 2b states that customers in the host country would learn to adapt to the company's business model. After analysing data from three interviews, the result shows that the married female respondent is willing to learn to adapt to the IKEA's business model, the male respondent prefers to use alternative service provided by IKEA and the young female respondent completely does not like IKEA's business model and chooses alternative service provided by IKEA. Thus, Hypothesis 2 is not supported. In addition, the result also shows that Japanese consumers are

⁹ IKEA n.d *Customer service*

interested in the presence of a foreign company in Japan and are gradually accepting and adapting to the way IKEA creates added value for its consumers. However, the degree of acceptance and adaption depends on consumer's age and gender.

DISCUSSION AND CONCLUSION

Theoretical Contributions

This study simultaneously examines (1) the relationship between organisational learning at pre-entry stage and consumer learning at post-entry stage in internationalisation, (2) Mutual adaption of organisational learning and consumer learning and (3) the relationship between learning and firm performance. The results, based on a single case study of IKEA, support all but one of hypotheses. Specifically, the study treats local market knowledge for organisational learning at pre-entry stage and product and service knowledge for consumer learning at post-entry as critical factors for success or failure of an organisation. The results confirm that local market knowledge for organisational learning precede international expansion, consistent with previous empirical findings in international business literature (Lord and Ranft, 2000; Fonata and Nesta, 2010; Zheng, et al., 2012). The results also reveal that product or service knowledge for consumer learning at post-entry is related to future related buying behaviour, consistent with previous consumer learning literature (Samli, 2013; Schiffman et al., 2013).

The results demonstrate that local market knowledge for organisational learning at pre-entry impacts information provided by an organisation that consumers learn to gain product and service knowledge at post-entry. Hence, organisational learning at the pre-entry stage is related to consumer learning at the post-entry stage in internationalisation. The results also expose that the organisation learns to adapt flexibly to consumer's need and market in the host country through local market knowledge at pre-entry stage but not all consumers would learn to adapt to a company's business model. Thus, mutual adaption of organisational learning and consumer learning only happens when consumers are willing to learn to adapt to a company's business model. We find that organisational learning provides a source of unique knowledge for a company to achieve sustained competitive advantage to obtain better internationalisation performance; and the effect of consumer learning on consumer perception; consumer behaviour and product perform affects firm performance. Thus, learning including organisational learning and consumer learning has a positive effect on firm performance.

The extension of extant research also indicates that organisations are active learners while consumers are somehow passive learners. In particular, organisations actively search to learn new knowledge from its internal and external environment (Ellis and Davidi, 2005; Morris and Moore, 2000), then analysing and preparing plans for its businesses whilst consumers only learn from information given by a company although information is from advertising, product experience or suggestions from others (Erdem, 1998; Narayanan et al., 2005; Zhang, 2010; Zhao et al., 2013). Moreover, the study reflects the importance of consumer learning in internationalisation. In line with discovery, consumer learning is a significant factor that affects decision making in purchases or re-purchasing products and services (Schiffman et al., 2013). In terms of internalisation, organisational learning is more dependent on consumers and markets while consumer learning depends on age and gender classifications. One possible explanation is that age and gender may be more sensitive to the consumer perception and consumer behaviour. Consumers may change their negative behaviours and perceptions about any product and service if they find them good after learning. This study offers further support for the idea that international organisations should involve consumer learning in their knowledge about local market in international expansion.

Managerial Implications

This study provides some implications for managers of international organisations. Managers should develop key sources of local market knowledge in order to acquire unique knowledge for their international strategy. The results consistently show the influence of unique knowledge on firm performance and firm survival for international expansion. The study also shows that consumer learning at the post-entry stage depends on what information the organisations provide to consumers and the extent of organizational learning at the pre-entry stage leads the relationship. Thus, managers can achieve international success if they obtain the unique knowledge of local market in order to provide superior performance of their products and services to local customers. Moreover, mutual adaptation of organisational learning and consumer learning only happens if consumers are interested in the products and services so they are willing to learn to adapt to a company's business model. In this regard, international managers should not uncritically adapt to all local customers' needs and markets that undermine the company's concepts. If managers gain unique local market knowledge, they can flexibly adapt to local consumers by providing what local consumers want as well as integrating characteristics of the home and host countries in their products and services.

Limitations and further study

However, as with other papers, this study still contains some limitations, which offer opportunities for future research. Firstly, there are only three interviews for primary data analysis. It is inadequate to generalise the whole consumer learning in Japan in different aspects such as age and gender classifications. Moreover, bias may occur since there were two interviews conducted in Japanese and thereafter translated into English which may incur translation errors. Secondly, it is difficult to access secondary data to analyse the performance of IKEA in Japan. Being a privately owned company, IKEA is not required to produce and publish detailed annual reports. This being said, there is no annual report showing IKEA's financial performance in Japan available publicly. Thirdly, a single case-study may involve "*reaching narrow and idiosyncratic theory*" (Eisenhardt, 1989). The outcome, therefore, only narrows in a specific context of IKEA and not a generalisation for different organisations. A multiple case study analysis would remedy this limitation of this study. The results of relationship among organisational learning, consumer learning and firm performance may differ for firms located in different areas with different culture, environment and political condition. In addition, primary data collected from consumers in different areas or countries would support validity and reliability for this study. Furthermore, due to the scope of the study, we haven't considered organisational performance. This would be considered in a separate paper in the future.

Conclusion

In the international context, local market knowledge is considered as specific knowledge of the host country regarding its language, culture, politics, society and economy (Inkpen and Beamish (1997)). Even though international organisations acknowledge an importance of local knowledge for organisational learning at pre-entry stage, they may not be able to succeed if consumers in the host country are not willing to learn and adapt to its business model. The central contribution of this study is to show that local market knowledge for organisational learning at pre-entry stage results in product service knowledge for consumer learning at post-entry stage and mutual

adaptation of organisational learning and consumer learning and thus playing critical roles in firm performance during internationalisation.

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APPENDICES

Figure 1: Theoretical framework

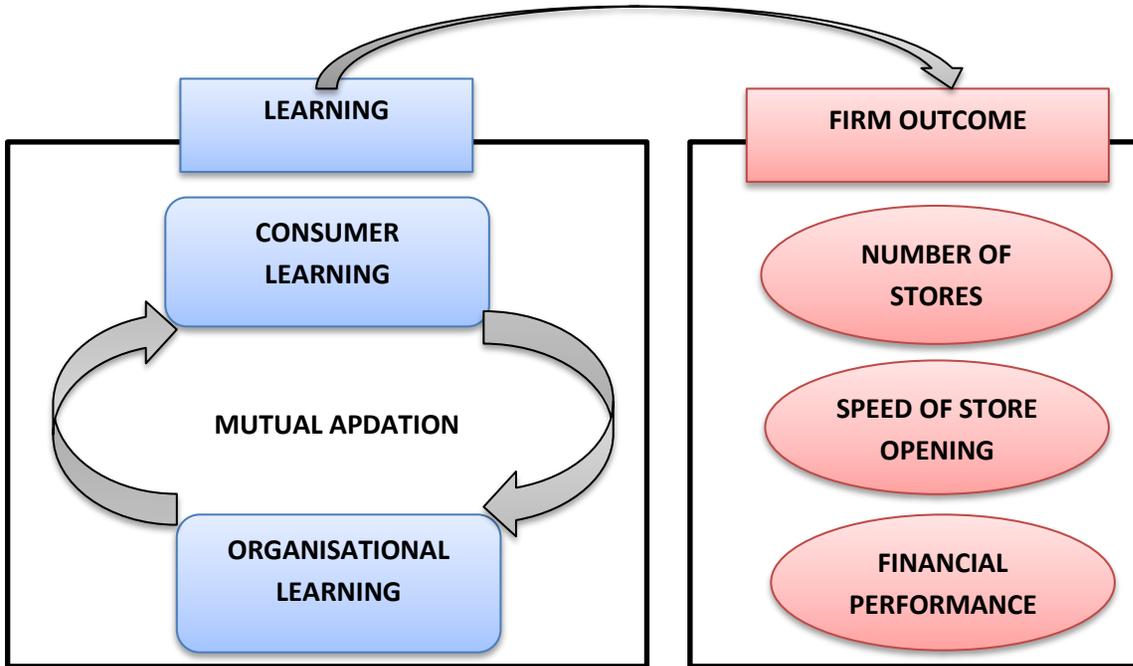


Table 1: List of participants of the interviews

Interviewee	Age	Gender	Occupation
1	30	Female	Housewife
2	22	Female	Final-year Student
3	22	Male	Final-year Student

Table 2: Summary of findings from interviews

	Respondent number one	Respondent number two	Respondent number three
Perception of international brand and products and services	International brand but low price. She agreed to use different styles in Japanese house but still keeping Japanese genuine.	The brand was something new and interesting. Scandinavian products were attractive, subtle and interesting.	International brand but low price. It would look messy and asynchronous if there were only few Northern design items in traditional Japanese house.
Size and design of IKEA products	The design of IKEA product was modern and suitable for young customers.	The respondent loved to look at “cute” IKEA products.	He did not have a concrete opinion.
Restaurants and café and baby-sitting service	Already had lunch at IKEA restaurant and used baby-sitting service but no further feedback.	Coffee shop at IKEA was such a nice place.	Had not bought food from IKEA restaurant yet.
In-store graphics and Shopping experience	Fantastic and modern. The shopping experience was stockroom size. It mattered at first time but easier in following times. She and her husband love to test the products at store.	Completely different from other Japanese furniture stores. The shopping experience was stockroom size. It was too large to find the products she wanted.	Functional and simple. He had no experience to find products at IKEA store.
Self-service	She did not mind getting products herself because it was not really hard to use.	It was like shopping and doing exercise at same time.	The large stockroom was fine for young customers but Japanese elderly people.
Self-assembled products	It was only fine for small items but assembling big items were really inconvenient. She and her husband did not mind assembling themselves.	Hates assembling herself. She would like to ask support and help from the IKEA staffs and expertise.	Would let IKEA staff and expertise assemble for him but he did not mind assembling himself.
Extra charge for home delivery and assembly	Would pay an extra for delivering home large items	Would like to pay an extra for home delivery and assembly	Preferred home delivery and assembly even paying an extra fee
No Online Shopping	She preferred to go to the store rather than search for products online.	She thought that visiting directly at store was more interesting	Felt pity because it was more convenient if he could buy small items online.
Return to IKEA	Will return to the store	Will return to the store	Will return to the store
Recommendations	Will recommend IKEA to friends	Will recommend IKEA to friends	Will recommend IKEA to friends