

TEXTE

Ikea is raising prices by 9% in 2022

By Parija Kavilanz, CNN Business, December 31, 2021

5 Ikea said its customers will pay more when they shop at its stores in 2022.

Like many companies with tight profit margins, the world's biggest furniture seller is struggling to absorb higher costs because of ongoing global supply chain problems.

Ikea said prices at its stores will increase by an average of 9% around the world to help offset significant transportation and raw material costs incurred by Ingka Group, which owns and operates most of Ikea
10 stores worldwide.

With its do-it-yourself philosophy embodied in its virtually staff-free showrooms to its flat-packed furniture, Ikea has become synonymous with low prices and value. Despite surging costs during the pandemic, Ikea stores had largely kept prices stable.

But, as commodity and shipping prices continued to surge, the company said it was no longer able to
15 absorb that damage to its bottom line.

"Unfortunately, now, for the first time since higher costs have begun to affect the global economy, we have to pass parts of those increased costs onto our customers," Tolga Öncü, retail operations manager at IKEA Retail, said in a statement.

Öncü said this move will ensure IKEA's "competitiveness and the resilience," but adds that "affordability
20 will always be a cornerstone for us."

The retailer said it has seen unprecedented demand for home-related products, such as furniture, storage products and home office-related items during the pandemic, so much so that it has not always been able to meet all the needs of its customers.

The company said it's trying to mitigate the ongoing impact from supply chain issues such as shipping
25 delays by using charting extra ships and loaders.

"Our intention is to give back to the customer any decrease in purchase prices we get," said Öncü.