



Cost Structure

IKEA's business model incurs various costs to maintain its operations and deliver value to customers. The company must manage these **costs effectively to ensure profitability and long-term sustainability**. IKEA's main cost components include:

Cost of goods sold: Expenses related to the production and procurement of products

Logistics and distribution: Costs associated with transporting and storing products

Retail operations: Expenses for running physical stores and online platforms

Marketing and advertising: Costs related to promoting the IKEA brand and products

Employee salaries and benefits: Compensation for IKEA's global workforce