Ikea ditches some UK store plans over taxes

LEVEL B1



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I. WARM-UP

1. What makes a shop easy or hard for you to use?
2. How can taxes on businesses affect shoppers?
3. Do you prefer big stores or small city shops? Why?

II. KEY VOCABULARY

abandon
to stop a plan or project before it is completed

tax
money paid to the government by people or businesses

retailer
a company that sells goods to the public

confidence
the feeling that the economy or future will be good

budget
a government's plan for taxes and spending

investment
money put into a project or business to help it grow

discount
a price reduction on a product

household
a home and the people who live together in it

III. READING

Ikea has abandoned some planned UK store openings, citing high business taxes. David McCabe, Ikea's UK boss, said the company pays the highest business taxes in Europe in its UK arm, and the third highest worldwide after the US and China.

He warned that the planned investment will go to other countries in Europe instead. Ikea's UK sales edged up 0.5% to £2.26bn in the year to the end of August. Sales rose in the first four months but then fell as weak confidence and pressure on household budgets made shoppers avoid big purchases.

McCabe said some shoppers who planned a new bedroom now buy one or two smaller items and fresh textiles. The company spent £54m to cut prices, averaging a 20% discount on 425 products, including the Billy bookcase, Hemnes daybed and Poäng armchair.

Smaller shops of 1,000–2,000 sq metres have been popular, including on Oxford Street in London and at retail parks. Ikea also opened stores in Brighton, Norwich, York and Chester, and plan-and-order sites in Dundee and Aberdeen. McCabe called John Healey's recent budget a missed chance to support retailers.

Reading text adapted from reporting by **The Guardian***: "Ikea ditches plans for new UK stores...". Original article linked at theenglishwire.com.*

IV. COMPREHENSION QUESTIONS

1. Why did Ikea abandon some planned UK store openings?
2. How much did Ikea's UK sales change, and to what total?
3. What price move did Ikea make, and on how many products?
4. Where have Ikea's smaller shops been popular?
5. Name two UK cities where Ikea opened new stores.

V. DISCUSSION

1. Are high business taxes good or bad for shoppers? Why?
2. Would you choose a big out-of-town store or a small city shop?
3. Do price cuts change your plans, or do you still spend carefully?
4. Should governments support retailers in difficult periods? How?

VI. GRAMMAR FOCUS

May / might (probability)

Use may/might + base verb to show possibility. Might often sounds a little less likely. Negative: may/might not + verb.

*"Some prices **may rise** again next year."*
*"Shoppers **might buy** fewer big items this year."*

VII. GRAMMAR EXERCISE

Complete each sentence with may/might + the base verb in brackets.

1. With weak confidence, shoppers (delay) ___ big purchases. _____
2. After price cuts, demand (improve) ___ this month. _____
3. Smaller city stores (attract) ___ new customers soon. _____
4. High business taxes (push) ___ investment abroad. _____
5. Fresh textiles (boost) ___ sales on weekends. _____

Teacher's Notes

TEACHERS ONLY

These notes are designed to help you get the most out of this lesson. Please do not share this page with students.



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I. LESSON GUIDE

- Timing: 8–10 minutes warm-up, 10 minutes vocabulary, 12–15 minutes reading and comprehension, 8–10 minutes grammar, 10 minutes discussion.
- Pre-teach brand names as proper nouns and review numbers with symbols (£, %, bn, m). Highlight retailer, budget, confidence, abandon, investment, discount, household, tax.
- Use a first read for gist (what happened and why), then a second read for figures and places. The topic is business policy, which some students may find personal if they run a small shop; invite comments about the news rather than anyone's own finances.
- Differentiation: stronger students write a 60-word summary using two figures from the text; others compare two shop types with prompts (size, travel time, choice, price).

II. DISCUSSION FACILITATION TIPS

1. Start with a quick poll, then ask for one concrete effect on prices or jobs.
2. Pair up students to list pros/cons, then swap partners to challenge ideas.
3. Elicit one example of a planned big buy and how a discount could change it.
4. Split the room: one side for direct support, one for market-led solutions.

III. EXTENSION ACTIVITIES

Writing: In pairs, write a 70-word press note explaining why some UK store plans were abandoned.

Survey: Interview three classmates about shop size preferences and price sensitivity; report findings in 3 minutes.

IV. ANSWER KEY OVERVIEW

Comprehension questions: short factual answers from the text.

Grammar exercise: May / might (probability)

Discussion: open-ended. Accept any reasonable ideas supported by examples and reasoning.

Answer Key

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IV. COMPREHENSION QUESTIONS

1. Why did Ikea abandon some planned UK store openings?
   It blames high business taxes in the UK.
2. How much did Ikea's UK sales change, and to what total?
   They rose 0.5% to £2.26bn.
3. What price move did Ikea make, and on how many products?
   It spent £54m to cut prices by about 20% on 425 products.
4. Where have Ikea's smaller shops been popular?
   On Oxford Street in London and at retail parks.
5. Name two UK cities where Ikea opened new stores.
   Brighton, Norwich, York or Chester.

V. DISCUSSION

Open answers. Accept any reasonable ideas supported by examples and reasoning.

VI. GRAMMAR FOCUS

Key point: Use may/might + base verb to show possibility. Might often sounds a little less likely. Negative: may/might not + verb. (Examples constructed.)

> *"Some prices* **may rise** *again next year."*
> *"Shoppers* **might buy** *fewer big items this year."*

VII. GRAMMAR EXERCISE

Complete each sentence with may/might + the base verb in brackets.

1. With weak confidence, shoppers ___ big purchases. **may/might delay**
2. After price cuts, demand ___ this month. **may/might improve**
3. Smaller city stores ___ new customers soon. **may/might attract**
4. High business taxes ___ investment abroad. **may/might push**
5. Fresh textiles ___ sales on weekends. **may/might boost**