STUDENT ID : 14145

FIELD : BID

COURSE : PRINCIPLES OF MARKETING

SEMESTER : 6TH

SUBMITTED TO : SIR SUNIL CHANDER

EXAM ASSIGNMNENT

QUESTION : Explain why the new coke failed even the company had solid research ?

ANSWER :

Humans by nature do not welcome change. Many aspects of human life has evolved, but still he is not welcoming changes, unless they’re brought in a way which he feels are because he had them approved.

Despite the fact that the blind tests lead to more of unbiased results, but in real life biasedness exists and so does it in marketing world.

The problem faced by coke was the fact that they were overwhelmed by the rising competition of pepsi and thought New Coke would sell well , despite the fact that they had overall larger market share with the classic/old coke . Instead of going with an idea of having “NEW COKE” , they could have used Classic Coke as a booster to make way for New Coke. But instead of New Coke being a “question mark” of BCG matrix, changed into a “dog” of the mentioned matrix.

Empathy is one of the most influential factors in the marketing, that is why we see different marketing campaigns for same product in different countries, even in the different cities of the same country. A customer should feel in control and not that he is being imposed upon when it comes to marketing and launch of new products.

Despite the fact that Coke did research with credible sources, but they missed out one thing. The taste could be best in their opinion, so would be the formula, but is the customer ready ? Does the consumer agree with you? Are you and the consumer on the same page?

This is where they failed.

An another important factor next to 4PS ( product, price, place and promotion ) of a product is the name it is given . New Coke for sure triggered the already loyal customers, who were used to the classic/old coke.

Hence, that is why it leads to protest by “Old Cola Drinkers”. And that is why the New Coke failed even the company had solid research.