

DEPARTMENT ART AND DESIGN
PRINCIPLES OF MANAGEMENT
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QUESTION: Case Study of Coca-Cola Company ?

ANSWER:

COCA-COLA

Case Study of Coca Cola Company :

Coca-Cola history began in 1886 when an Atlanta pharmacist, Dr. John S. Pemberton create a distinctive tasting soft drink, at his Pemberton Chemical Company. His bookkeeper, Frank Robinson, credited with naming the beverage "Coca-Cola" as well as designing the trademarked, still used today. The 94% of world population recognising the red & white Coca-Cola company brand.

Coca-Cola spends more money on advertising than Microsoft and Apple combined in order to promote its products as well as the brand in the market (Business Insider, 2017). So, to have successful promotional campaigns, Coca-Cola works on a model that maximises marketing components such as; the way to communicate its products to audience, specifically, to place the appropriate product, in the right place, at the right time.

The Coca-Cola company owns a product portfolio of more than 3900 products, with the presence in more than 200 countries and the daily average servings to 1.9 billion people globally. Coca-Cola products are purchased by different age groups, used by both genders, health conscious people use their Diet Coca-Cola, similarly Powerade is used by athletes.

Packaging (income segment): One of reason to stability is their packaging. The company is selling returnable glass bottle and tin for low-level income and high-level income respectively.

Coca-Cola knows people from different cultures. Using its innovation to mix different cultures and flavours together to make new product (e.g. with the European launch of Bianchi, a new drink)

Coca-Cola uses "multi segment" targeting strategy which means that the company has more than single, well-defined, market segment. Market segment help the company to improve their products and services accordingly with customer needs.

The company is flexible in way that it goes along with advancement in this technological world. It can also move its manufacturing locations e.g move to locations where labor costs are low or where there involve other reasons that weighs more in terms of profit.

Consistency can be seen from logo to the bottle design and price of drink.

The Coca-Cola company is the non-alcoholic beverage company.

The company biggest rival is Pepsi. Coca-Cola and Pepsi are in strong competition with each other Pepsi has launched many snacks items like lays and Corker, in this way Coca-Cola has low product diversification. It gives Pepsi power over Coca-Cola.

Health issues: carbonated drinks are major source of sugar, which results in health issues like obesity and diabetes.

The major threat to Coca-Cola is the increasing scarcity of water resources, and other threats includes health reports harmfulness of Coca-Cola, and its economic and political instability.

The opportunities for this company can be; Supply chain improvement – Their business is based of transportation and distribution therefore its in their interest to always improve this section.

Market the lesser selling products, also if they focused on their over products, they can increase their overall revenue.

In conclusion, The Coca-Cola company understands the trends and forces that shapes the business today and in future and move swiftly to prepare for what's to come.

END