

COCA-COLA MARKETING PLAN

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Introduction

In the last decades, the level of competition among various firms has drastically surged. This is caused by the increased level of technological knowhow and reduced barriers to entry for businesses, as well as the increased population, which provides the required market for produced goods and services. Benson (2010) argues that an improvement in technology has contributed to the success of small businesses for the last five years, as they can compete on the same platform with big and well-established companies. For example, small companies, especially in developing countries, have embraced online marketing strategies for their goods. This way, they managed to increase their market share despite them lacking adequate capital to establish physical shops in certain geographical areas around the world. One such company, which has remained a market leader despite heavy competition in the industry, is the Coca-Cola Company. Established in late 19th century, it is the largest company in based on producing, distributing and selling of non-alcoholic beverages globally. The company operates in more than 200 countries and has developed more than 400 brands since its inception. Some of the famous brands sold by the company include Coke, Sprite, and Stony among others. It is clear that the firm has successfully kept competitors, such as Nestle, PepsiCo and others, at a bay because of various marketing strategies employed by the company. This paper seeks to critically analyse and evaluate Coca-Cola Company marketing plans, which have ultimately made it remain a market leader in the non-alcoholic beverages industry.

Company Background

The Coca-Cola Company is the leading company as far as manufacturing, distributing, and selling non-alcoholic beverages in the U.S. and other parts of the world are concerned. The company was established in 1886, in Atlanta Georgia by John Pemberton, who was a pharmacist, and combined soda water, shrub weeds from Brazil, cinnamon and lime water. These ingredients formed an original recipe of non-alcoholic beverages, which became the most consumed across the globe. The recipe was later purchased by Asa

Chandler in 1891 at a value of US \$ 2300, thus, turning Coca-Cola into a globally renowned brand, as it is in the present times. The Coca Cola Company manufactures and sells more than 400 brands of products across the world, making it the leading company in terms of market shares, which are at least 45%, and enjoys customers' loyalty of approximately 90% as per 2010. The Coca-Cola Company has branches in more than 200 countries and operates through licensed independent distributors in these countries. This is an aspect that helps the company critically segment its customers, resulting into high profitability levels. Despite harsh economic times, which faced many companies across the world, the Coca-Cola Company remained profitable throughout this period. This is because of its ability to embrace new modern marketing strategies, such as the use of the social media, such as Twitter, Facebook, MySpace, among other notable forms of modern marketing, namely blogs and mini websites. Over the years, the company has been able to keep a reputable philanthropic history ranging from constructing wildlife preserves in such places as Ossabaw Island to sponsoring the FIFA 2010 World Cup held in South Africa. These aspects combined with innovation and inventions constitute a corporate culture that has catapulted the Coca-Cola Company to be one of the best performing companies (Benson, 2010).

Vision

The company's vision 2020 aims at creating sustainable long-term destinations for the business through the provision of roadmaps for a win-win situation for the firm and all its partners.

Mission

The mission declares the purpose of the company. It also serves as a standard, against which the Coca-Cola Company weighs its decisions and actions. The company has three main mission statements, which are as follows:

- 1) Refreshing the world;
- 2) Creating value and making a difference;
- 3) Inspiring moments for happiness and optimism.

Vision

The vision of the company serves as a framework, which guides each area of the business through describing what is required to accomplish sustainable quality growth in the short- and long-run. This falls under “6Ps” policies indicated below:

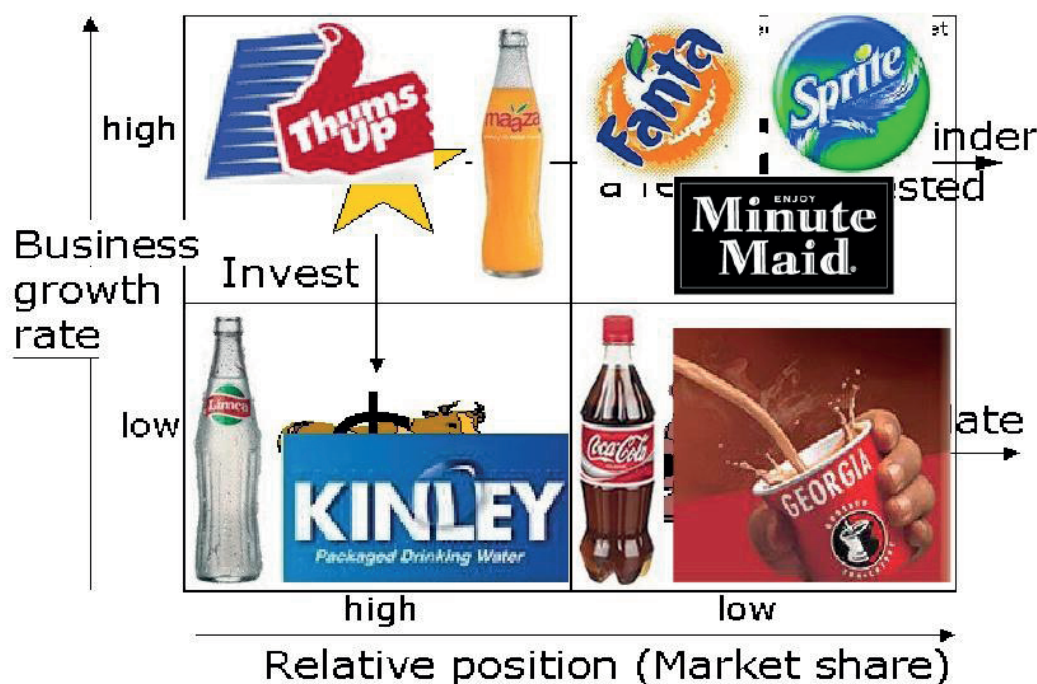
- 1) **PEOPLE:** the Company aims to be a great place to work, where people are fully inspired, being the best they can.
 - 2) **PARTNERS:** the Coca-Cola Company has a strong winning network composed of suppliers and customers. This way, they create enduring values and mutual responsibility.
 - 3) **PORTFOLIO:** the organization produces the best beverage brands across the world, satisfying people’s needs and desires.
 - 4) **PRODUCTIVITY:** its aim is to be lean, highly effective and a fast moving organization.
 - 5) **PROFIT:** the company aims at maximizing long-term returns to shareholders, while carefully being mindful of the firm’s overall responsibility.
 - 6) **PLANET:** it aims to be a responsible corporate, who makes a difference by helping in supporting and building sustainable communities.
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Competitive Review

Despite having a market share of over 50%, it is evident that the Coca-Cola Company faces a stiff competition from various well-established beverage companies across the globe. Since 2008, the stocks of Coca-Cola have been on a gradual increase as compared to those of the main competitor PepsiCo. For example, PepsiCo share prices have increased to US\$ 63.56 up from US\$45.78 in 2008. During this period, Coca-Cola shares have increased from US\$ 52.35 in 2008 up to US\$ 65.39 (Coca Cola Company, 2012). A quick increase in share values of PepsiCo, as compared to that of Coca-Cola, can be caused by the diversification of PepsiCo products. After the acquisition of the

South Beach Company, the company has diversified its products to non-carbonated beverages, such as Gatorade sport drinks and herb spirited fruits among other products (Webster, 2009). This factor has increased investors' confidence because of brighter market prospects facing PepsiCo.. Another close competitor of Coca-Cola is FIZ (a National Beverage Company), which operates in the North American region, being Coca-Cola's main stronghold. The company manufactures distinct flavours, such as Faygo, Shasta, and Flagship brands, which heavily compete with Coca-Cola soft drinks. Cadbury Schweppes and all its subsidiary products also offer a stiff competition to the Cola Company, especially in the Asian and African markets. The group focuses on the beverages business, managing extensive brand portfolios. The Cott Corporation, which operates in the U.S., manufactures and sells organic beverages, bottled water and iced tea, also offering a stiff competition to the Coca-Cola Company (Gupta, 2010). The company has subsidiaries in Canada through the BBC USA Corporation. It is clear that the Coca-Cola Company faces strong competition from these and other emerging companies. This necessitates the need for continuous market research to enable innovation and invention, and come up with products that will satisfy customers' needs globally now and in the future.

BCG Matrix



Conclusion

For a company to perform well in the international market, such aspects as marketing segmentation, continuous market research, and market mix organisational structures should be clearly analyzed. It is clear that the Coca-Cola Company remains one of the best performing companies in the non-alcoholic beverages industry despite heavy competition in this sector. This is clearly indicated by high sales revenues of US\$ 35.119 billion posted in 2010. The company's share value has also been on an increase, resulting into an improvement in investor's confidence across the globe. In general, the Coca-Cola Company should invest in such areas as organic products in order to cater for changing consumer lifestyles in such areas as the U.S., Europe and Latin America.

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