

Strategic Management (LCMB7003)

Strategic Analysis of Coca-Cola



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Submission Date: 1 September

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1.0 Introduction

This report will provide a comprehensive analysis of the strategic models and theories that are applied to strategic management in the organisation. Strategic management in an organisation helps in achieving the objectives and goals of the business and provides the desired outcomes helping in the elimination of challenges or risks (Barney & Hesterly, 2015). The report will provide an analysis of the micro and macro environment of the business identifying various elements and factors that contribute to the disruptions in the business environment of the organisation. It will also provide an internal analysis that will help in evaluating the value chain of the organisation as well as its primary objectives and activities. The report will help in understanding the factors in the business environment of the organisation that contributes to the growth initiative of the business as well as help in critically analysing the competitive position of the company. The report will also focus on the strategies that can be implemented to gain a competitive advantage and help in the elimination of threats to capture market advantage. Growth strategies will also be analysed in comparison to the organisation's operations providing sustainable strategies for enabling efficient CSR initiatives. Lastly, the report will conclude with recommendations based on the evaluation analysis done about the overall business environment of the organisation.

2.0 Coca-Cola Background

The Coca-Cola company was incorporated in 1886 by Dr John Pemberton. The company since then has developed into one of the largest beverage companies in the Global market with more than 2.2 billion units of sale of their drinks in more than 200 countries and territories per day (The Coca-Cola Company, 2023). The organisation has many sub-brands listed under its portfolio out of which the most famous are Sprite Fanta along with water sports coffee and tea brands that are available in selected markets according to their demand. The organisation employs more than 700000 people globally who provide services to the customers of the business as well as contribute to the economic and social development of the countries where Coca-Cola operates (The Coca-Cola Company, 2023). The organisation's portfolio holds more than 200 master brands.

2.1 Coca-Cola's Mission and Objectives

The **mission** of the Coca-Cola company is to become the most customers-centric total beverage company providing vibrant competition in the industry. The **vision** of the organisation is to become a total beverage company providing products and services to its consumers in the industry (coca-colacompany.com, 2023). The **objectives** that hold strategic

importance to the organisation are focused towards sustainability where it aims to lead in the industry and provide opportunities for collaborative actions. The other objective of the organisation focuses on the financials and the growth of compounding the quality value of the business.

3.0 Macro-Environment Analysis

The macro-environment analysis specifically refers to all of the different external environment elements immensely influencing business strategy, success and decision-making process (Wheelen *et al.* 2018). In this section, the macro environment of the UK will be analysed with the help of PESTEL analysis to gather information about how the macro environment of that company is influencing the business strategy of Coca-Cola.

3.1 PESTEL Analysis

PESTEL Analysis	Different factors	Opportunities or threats created
Political factors	- In the UK, <i>HMRC</i> (Her Majesty's Revenue and Customs) holds the responsibility to enforce duties and customs on imports and exports done within the country. Import restrictions are placed upon a number of different things such as drugs, fireworks, birds, animals, livestock and many others (Mondaq, 2020). - Despite the UK has always been considered a politically stable country, recent circumstances have shown some instability since the country had five different prime ministers from 2016 to 2022 (17capital, 2022).	None of the products or services imported or exported by Coca-Cola faces import or export restrictions, which is an opportunity for the company. However, the continuously shifting political environment is a threat to the company (Sharma <i>et al.</i> , 2020), since it can influence the internal decision-making of the firm.
Economic factors	During 2021 and 2022, the cost of living in the UK increased sharply and reached 11.1% in the October of 2022, which was a 41-year high. In July	The increased living cost of UK residents is a threat to the company since it

	2023, the value was 6.8%, which is higher compared to most of the comparable economies such as Italy, Germany, Spain, France and some others (UK Parliament, 2023). The UK economy has experienced 0.2% growth in its GDP during Q2 quarter of 2022 (Tradingeconomics, 2023). It shows that the economic condition of the country is continuously improving.	lowers customer purchase power. However, continuous GDP growth is an opportunity since it can help the company to gain economic advantages.
Social factors	- The dietary habits of the UK-based customers are continuously changing since people are becoming health conscious. As a result, the organic food industry of the country is growing annually while generating £2 billion (Wunsch, 2022). - The UK has a 99% literacy rate with an education index of 0.93, which states that most of the UK residents are educated (Wisevoter, 2023).	A shift in customer mindset is a threat to the company since most of the Coca-Cola products are unhealthy (webmd.com, 2023). The high literacy rate will create opportunities since the company can recruit talented and educated employees in the workplace.
Technological factors	- The UK made a £39.8 billion R&D budget for financial years 2022-2025 to deliver innovative strategies for the government (Gov.uk, 2022). - In 2023, there are 66.11 million active internet users in the UK, which makes up 97.8% of the overall population (Kemp, 2023).	Coca-Cola will be able to gain subsequent opportunities from the investments made in R&D since they can gain access to new technologies at a cheap rate. Besides that, the company can target

		customers via digital marketing since the internet usage rate in the country is quite high.
Environmental factors	• <i>The Control of Pollution Act</i> was made in the country to cover a number of different environmental issues including noise, air, water, land and waste (Field.org.uk, 2023). • <i>Waste regulations</i> in the UK require businesses to separate other wastes from recyclable wastes (Unisanuk, 2022).	Both of the environmental factors will create <i>opportunities</i> for Coca-Cola since they can improve its sustainable policies while following the regulations.
Legal factors	• <i>The Consumer Rights Act 2015</i> sets consumer protection across customer goods and digital content spectrum (Citizensadvice, 2023). • <i>The Data Protection Act 2018</i> restricts companies from using customer data in unfair ways (Gov.uk, 2022).	Both of the legal factors are <i>opportunities</i> for Coca-Cola since it will help them to be represented as a responsible organisation in front of the customers.

Table 1: PESTEL Analysis

(Source: Learner)

4.0 Micro-Environment Analysis

The micro-environment factors are quite specific for an organisation and can influence decision-making and business processes effectively (Wheelen *et al.* 2018). For analysing the micro-environment of Coca-Cola, the *Industry Lifecycle* and *Porter's Five Force analysis* will be applied in the company.

4.1 Industry Life Cycle

The industry life cycle specifically refers to the continuous evolution of an overall industry or a specific business based on five different stages (Whittington *et al.* 2020). The five different

phrases in context to the industry life cycle include *development*, *growth*, *shake-out*, *maturity* and *decline*.

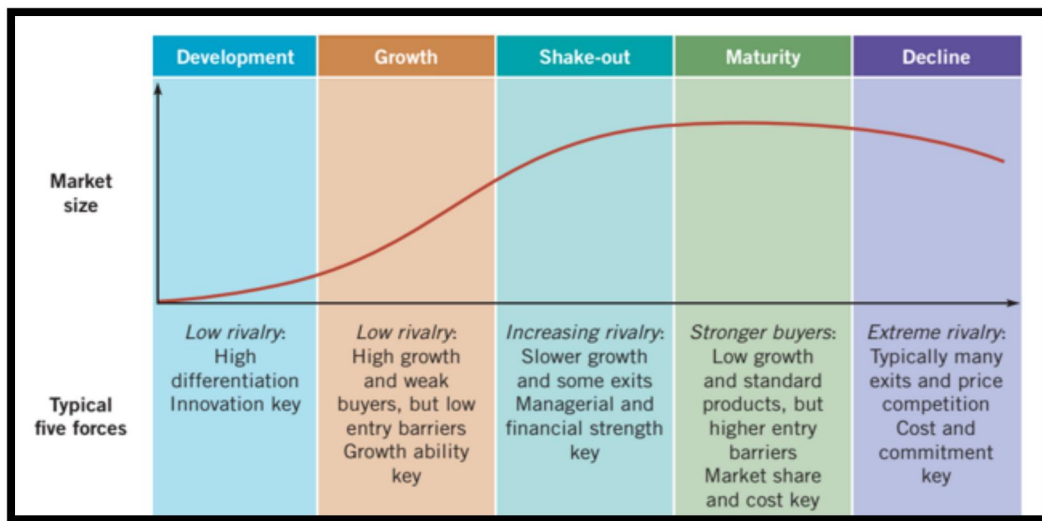


Figure 1: Industry life cycle

(Source: Whittington *et al.* 2020)

Every organisation belonging to every single industry goes through the above-mentioned stages i.e., they start from the development stage and slowly go into the decline stage. Started in the year of 1886, Coca-Cola has spent the majority of its time in the *maturity stage* (Companiesmarketcap, 2023). Currently, the company is able to maintain a stable growth rate in terms of revenue generation after the end of the 2020 pandemic

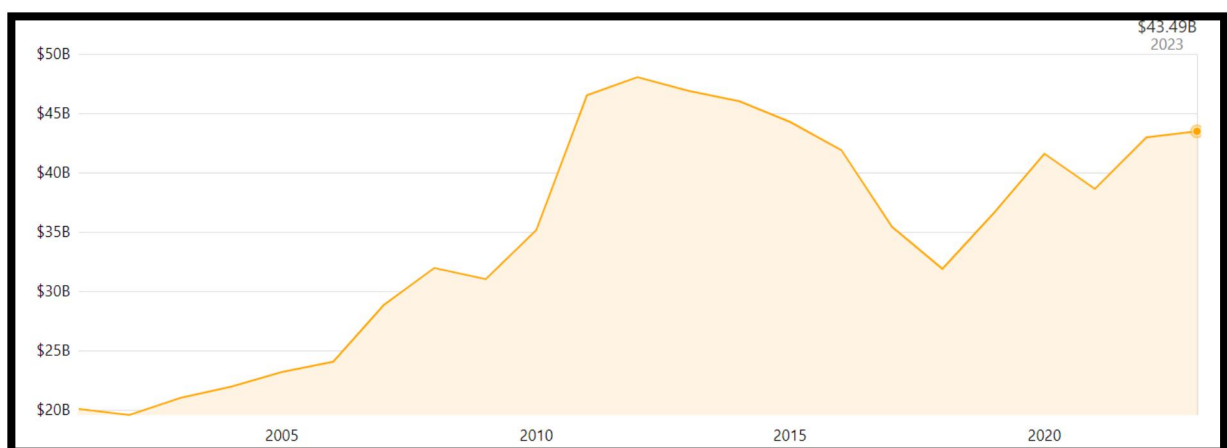


Figure 2: Revenue history of Coca-Cola

(Source: Companiesmarketcap, 2023)

Besides that, Coca-Cola is the market leader in the global beverage industry. In the US alone, the company holds around 43% of the market share, which clearly states the dominance of the company in the beverage industry (Ridder, 2023). Besides that, Coca-Cola has extensive brand value and it also has many loyal customers that help the company to maintain high market share. For these reasons, it can be highlighted that Coca-Cola is currently residing at the *maturity stage*. Seeing its revenue growth rate and market share also identifies the fact that the company is not going to enter the decline stage in the near future.

4.2 Porter's Industry Five Forces Analysis

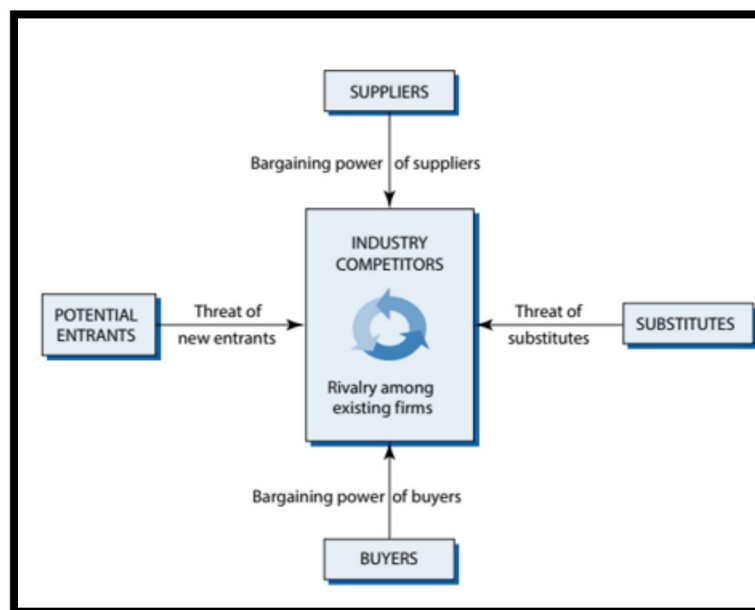


Figure 3: Porter's Five Force Framework

(Source: Taken from module)

- **Competitive rivalry**

The biggest competitor of Coca-Cola in the beverage segment is PepsiCo. Besides that, the company also faces strong competitive rivalry from a range of different local and global organisations (twoteachers.co.uk, 2023). Therefore, it can be stated that the company is facing a *high* threat from the existing competitive rivalry.

- **Threat of substitutes**

The growing health consciousness of customers is increasing the value of healthy substitutes instead of carbonated drink products (Salehi *et al.* 2019). Therefore, it can be highlighted that the company is facing a *high* threat from the substitutes.

- ***Power of buyers***

Due to increased competitive aspects, customers are having a range of different options to choose from. The switching costs of customers in the context of preferred beverage brand is very low, which is why Coca-Cola needs to plan strategies according to the customers. Therefore, customers have **high** power over the organisation.

- ***Power of suppliers***

Coca-Cola depends on a number of different suppliers to source raw materials. The company mainly focuses on local suppliers to create a strong bond in the local market (Coca-colafemsa, 2021). However, the company can switch its suppliers at any time, which is why the suppliers have **low** power over the organisation.

- ***Threat of entry***

The cost of entering the beverage industry is quite high due to entry barriers as well such as competition, increased health consciousness and many others. New market entrants pose a **low** threat to the company due to such entry barriers as well as the extensive brand value of Coca-Cola itself.

5.0 Internal Analysis

5.1 Coca-Cola's Strategic Resources and Capabilities

The strategic resources and capabilities of an organisation mainly contribute to the long-term survival and competitive advantages of the company (Barney & Hesterly, 2015). There are three distinctive categories of strategic resources and capabilities, which include **tangible resources**, **intangible resources** and **organisational capabilities**.

- ***Tangible resources***

Tangible resources can be identified as the physical resources owned by different companies (Thum-Thyssen *et al.* 2019). From the context of Coca-Cola, the **buildings** owned by the brand, **equipment** used for the production, manufacturing and distribution of Coca-Cola products and the **bottling partners** are the main tangible resources of the organisation. As of now, Coca-Cola has over 950 production facilities in the entire world, which helps them to create 2.2 billion servings every day (Coca-colacompany, 2023). Besides that, the company has almost 200 bottling partners worldwide responsible for packing, manufacturing and distributing its products. These tangible resources are quite valuable for the company and are

providing competitive advantages to the organisation. The unique vending machines are also tangible resources in the context of the organisation.

- ***Intangible resources***

Intangible resources do not have any physical presence but can represent some real and effective benefits from the perspective of different organisations (Tefera and Hunsaker, 2020). Since the company makes almost 2.2 billion servings each day, it can highlight that a significant percentage of the global population consumes its product every day. This is possible due to the effective brand image of the company and it is an important intangible asset. The company also uses AI (Artificial Intelligence) to understand and predict customer behaviour, which provides them competitive advantages (Geospatialworld, 2023). Furthermore, Coca-Cola uses a unique ***PlantBottle Technology***, which aims to reduce dependency on different fossil fuel-based materials (Aim2flourish, 2023). This intangible resource helps the company to stay highly competitive by showing sustainable measurements.

- ***Organisational capabilities***

Organisational capabilities mainly refer to different skills, training, leadership and management-related aspects responsible for linking various parts of the available resources to make the effective functioning of an organisation (Aboelmaged and Hashem, 2019). This global consumer goods company established a new digital academy to improve the existing skillset of managers and team leaders, which is quite rare in the beverage industry and can definitely provide a sustainable competitive advantage to the organisation (Mckinsey, 2022). Besides that, the organisation is launching a “*diversity, equity and inclusion employee enrichment platform*” which will improve the social and empathetic skills of the employees (Coca-colacompany, 2023). Besides that, a blend of both autocratic and democratic leadership styles can be experienced in Coca-Cola, where autocratic leadership style is used in their factories for quick decision-making and democratic style is used in every other business process.

5.2 Value Chain Analysis

Value chain primarily describes different categories of activities within an organisation that create specific products or services for the customers (Baştuğ *et al.* 2020).

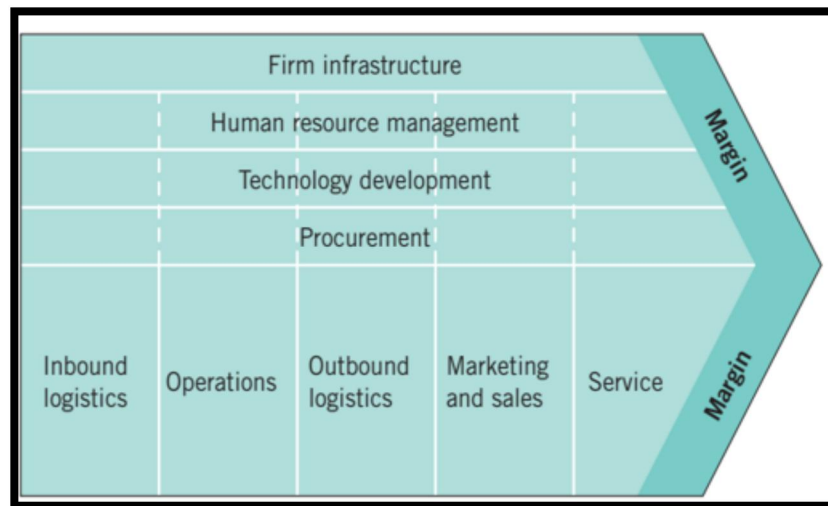


Figure 4: Value Chain Analysis

(Source: Taken from module)

Primary Activities

The primary activities of Coca-Cola are directly linked with the creation and delivery of products. The primary activities of the company are listed below:

- ***Inbound logistics***

One of the most significant reasons behind Coca-Cola's success is associated with its strong relationship with its primary suppliers. ***Supplier diversity*** is an important component of Coca-Cola's diversity strategy, which helps the company to maintain long-term growth and competitive advantages (Coca-colacompany, 2023). Besides that, the company has set some effective guidelines to be followed by its suppliers, which helps the company get strategic advantages. The entire inbound logistics follows local channels as well.

- ***Operations***

The entire operational process of the company mainly operates through a number of local channels to make sure that it is attracting local communities (Coca-colafemsa, 2021). Besides that, the company has multiple bottling partners all around the globe to package its products for the customers (Aim2flourish, 2023). However, the company does not own any bottling companies and they are treated as valuable business partners.

- ***Outbound logistics***

From the manufacturing facility, Coca-Cola ships its products to 260 distribution centres. After that, the secondary distribution process starts within the integrated pre-sale process in its automated warehouses (Coca-colafemsa, 2021). The vending partners of the company are responsible for selling different products.

- ***Marketing and sales***

As a beverage brand, Coca-Cola is known for spending extensive amounts of monetary resources on marketing activities. The company is focused on conducting its marketing activities through digital films and TV, print and outdoor advertisements and user-generated social and digital content (Coca-colacompany, 2023). Besides that, its products are sold in more than 200 countries from restaurants to retail stores and movie theatres.

- ***Services***

The pre-sale services of the company are powered by an integrated KOF digital platform, which helps the company serve its clients in both modern and traditional channels (Coca-colafemsa, 2021). Besides that, the company is known for its excellent online customer service process where consumers do not need to wait long before solving their queries.

Secondary Activities

The secondary activities of Coca-Cola are associated with increasing the efficiency and effectiveness of the primary activities. The secondary activities of the company are listed below:

- ***Firm infrastructure***

Since Coca-Cola is a large-scale company, the firm infrastructure of the company denotes a large range of subsequent activities. In the organisation, strategic planning and management are mainly done by the upper management department of the organisation (Coca-colacompany, 2018). Additionally, the company is known for using profit-maximisation infrastructure to build competitive advantages.

- ***Human resource management***

As of 2022, the company has about 82,500 active employees in the entire world (Ridder, 2023). The company focuses on the contemporary ways of employee recruitment and selection for availing talented employees (Forbes, 2021). Besides that, the company is currently going through an HR transformation strategy to recruit and onboard new employees.

- **Technology development**

Currently, the company is using a range of different digital technologies to create innovative experiences for the entire customer base (Coca-Cola company, 2018). Besides that, the company also uses the latest technologies like AI, Big Data and ML to create competitive advantages for the company.

- **Procurement**

Coca-Cola focuses heavily on maintaining the quality standards in their beverages and they check every single aspect of their procurement process from buying raw materials to supplying the finished products to the customers. The value chain of the company also shows that the pre-sale, secondary distribution and points of sales are controlled internally (Coca-colafemsa, 2021).

5.3 VRIO Analysis of Distinctive Resources and Capabilities

VRIO framework is specifically used for evaluating the internal resources and capabilities of different organisations with the aim of determining the sources of competitive advantages (Murcia *et al.* 2022). VRIO analysis of Coca-Cola company is done below:

Strategic resources	Valuable	Rare	Costly to imitate	Exploited by organisation	Competitive advantage
Brand awareness	It is valuable since the brand awareness of the company is high.	Coca-Cola is a leading beverage company in the entire world, which states that brand awareness is a rare resource (Coca-colacompany, 2023).	Yes, because the company spends extensive amounts on marketing activities.	Yes, the company utilised its brand position in different segments.	Sustainable competitive advantage

Extensive global and local presence	It is valuable since it helps the company to have multiple revenue sources.	The company has a presence in more than 200 countries, which is rare (Coca-colacompany, 2023).	Can be imitated by it is very costly.	A diversification strategy helps the company to manage its global and local presence.	Strong competitive advantage
Attracting new talents	It is valuable since it helps to onboard local and global talents.	It is a rare resource since other companies do not have similar ways of attracting new talents.	Very difficult to imitate by the competitors.	Effective HRM systems and policies help the company to attract new talents (Forbes, 2021).	Strong competitive advantage
Channel management and sales force	It is valuable since it helps the company to manage the supply chain effectively.	It is not rare since other companies are using almost similar channel management strategies.	Can be imitated by the customers.	The company relies on bottling partners to serve the customers	Limited competitive advantage
Pricing strategy	The low pricing strategy of the company definitely	This is not a rare resource.	Pricing strategies are imitated regularly by the	The pricing analytics engine helps the company.	Temporary competitive advantage.

	creates value for the company.		competitors.		
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Table 2: VRIO Analysis of Coca-Cola

(Source: Learner)

5.4 SWOT Analysis

Strengths • Coca-Cola has a strong brand identity and it has an extensive global reach (Coca-colacompany, 2023). • The extensive market share of the company on a global scale is another significant strength for the company (Coca-colacompany, 2023). • The company always focuses on technological development and skill upgradation of the existing workforce, which is another strength of the company. • Strong workforce and repositioning portfolio of the company are also strengths.	Weakness • The product diversification strategy the completely optimised and can be identified as a weakness for the company. • Besides that, over depending on the bottling partners creates some weaknesses in its supply chain management process. • Extensive spending on marketing activities can be identified as another weakness.
Opportunity • The Digital marketing opportunities should improve the existing position of the company. • Besides that, the introduction of new products in existing markets will also help the company to have significant opportunities. • Lastly, the extension of the ready-to-drink industry is also creating	Threats • Competitive aspects in the global beverage industry are a threat to the company. • Continuously increasing economic uncertainty in the global economic spectrum is an indulging threat for Coca-Cola (Baker <i>et al.</i> 2020). • Lastly, the increased health consciousness of the customers is

opportunities for the company (Aji <i>et al.</i> 2020).	an increasing threat to the company (Hernandez-Fernandez <i>et al.</i> 2022).
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Table 3: SWOT Analysis

(Source: Learner)

6.0 Strategies to Sustain Competitive Advantage

Porter's generic strategy will be discussed to show how Coca-Cola is sustaining a competitive advantage. The company is known for using both *cost leadership* and *differentiation strategies* to have sustainable competitive advantages.

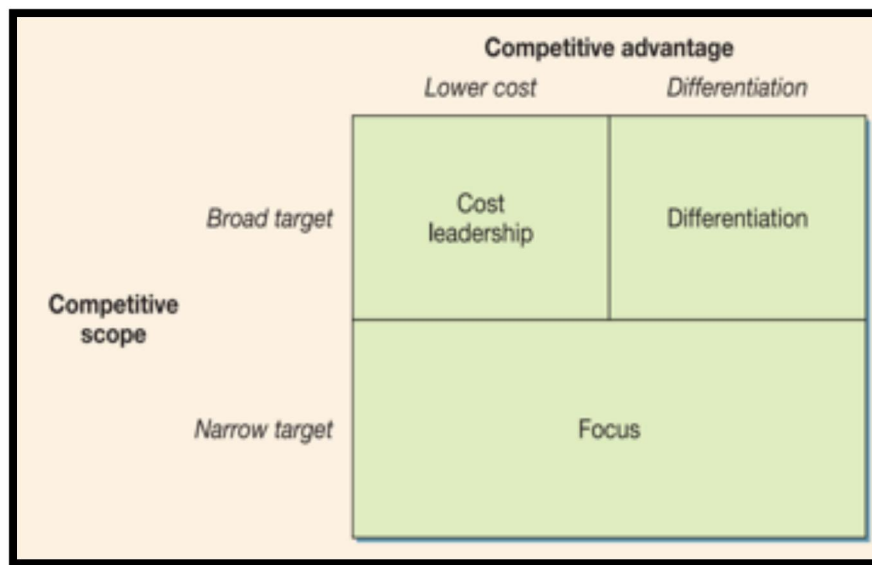


Figure 5: Porter's Generic Strategies

(Source: Taken from module)

Cost-leadership strategy

Coca-Cola is known for its low-cost products that are imitated by most of the organisation. The organisation did not increase the cost of its products even at times of problematic market instances. The production cost of the company stays on the lower side since it manufactures in a large volume and distributes the products by bottling companies (Aim2flourish, 2023). It helps the company to implement a cost leadership strategy effectively.

Differentiation strategy

The organisation always tries to place its products in a place that is not identical compared to the products sold by its competitors. The unique logo of the company also helps to be differentiated compared to the other competitors (Coca-colacompany, 2023). The unique blend of flavours in the beverages and diversified marketing tactics help the company to be differentiated compared to the major competitors.

7.0 Growth Strategies

A growth strategy can be described as a plan that helps an organisation mitigate the challenges and Threads that are prevailing in its business environment. Implementation of a growth strategy helps in the expansion of a business as well as to realise the objectives and goals of the company (Gartner, 2023). A growth strategy can include various elements such as increasing the market share or the revenue of the business as well as improving the overall organisation's products and service offerings to the customers. This report will use Ansoff's Matrix as well as internationalisation drivers to evaluate both strategies for The Coca-Cola Company.

Ansoff's Matrix

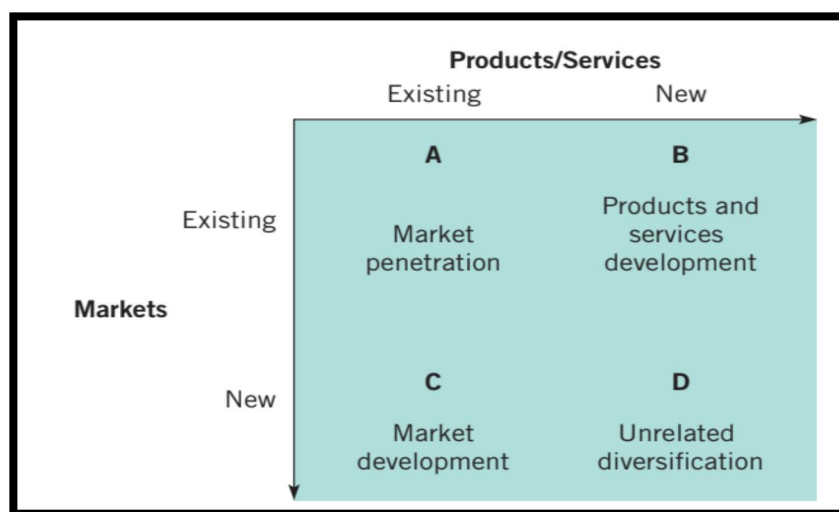


Figure 6: Ansoff's Matrix

(Source: Taken from Module)

The Coca-Cola company engages itself in the manufacturing of syrup concentrate which is sold to several organisations having bottling rights of the product (Cleberg, 2019). In this business scenario, the organisation needs to adapt to its bottling process which will help in increasing revenue as well as capturing an increased market space.

The first quadrant of Ansoff's Matrix provides the existing process which is of market penetration and its promotions (Clarissia, 2020). The organisation is focused on increasing its market capture in the Global market by entering different countries and trying to take the first movers' advantage (Whittington *et al.*, 2020). The organisation can follow the social diversification of the foreign market and engage in community festivals with promotions and advertisements of its product to create loyalty among the customers.

Market development is related towards the creation of different Territories are groups where the organisation does not currently operate (Cleberg, 2019). It is termed as the geographical expansion of the business which can also impact the products or services that are offered to the consumers based on the local preferences and to promote brand awareness and increase loyalty.

Product development is the creation of new products for the consumers of existing as well as foreign markets. The product development strategy helps the organisation to overcome customer retention challenges and provide them with new flavours or tastes according to the demand or the preferences of the customers. It also includes the pricing strategy used for the new product and its penetration in the market.

Lastly, the fourth quadrant is the area where the organisation evaluates its success in the new market. It involves the new market development strategy as well as the product development strategy club with the pricing strategies to increase the customers towards their products or services (Pallister, 2022). The diversification of the Coca-cola company can be towards selling official merchant merchandise of the business or using a horizontal diversification method to expand into other beverage options in the industry.

Internationalisation Drivers

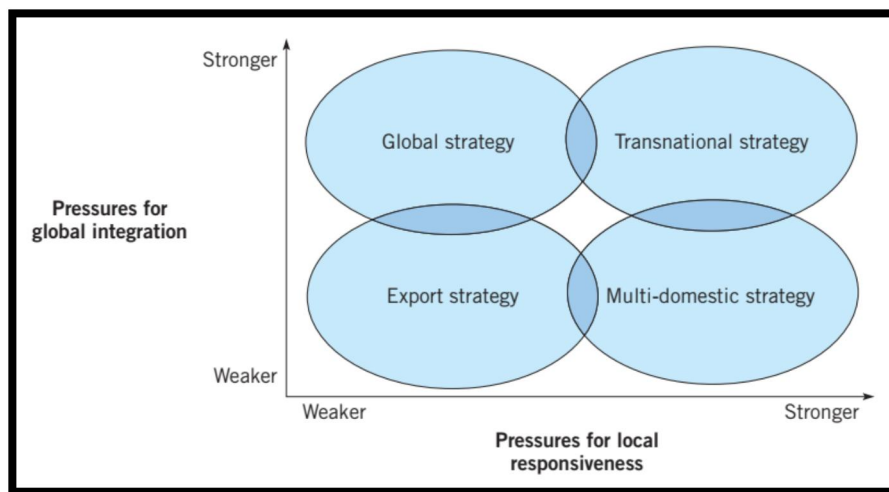


Figure 7: Internationalisation Strategy

(Source: Taken from the module)

Internationalisation is considered as the steps that are taken by an organisation to create brand awareness and increase market capture. Globalisation in recent times has helped more in the internationalisation processes of different organisations. Several internationalisation strategies impact the process pursued by the organisation. These internationalisation strategies are discussed below for The Coca-Cola Company.

The Global strategy helps the organisation in greater Global integration of its products and services as well as of the business processes. It has a strong hold on the global Integra however, holds weaker control in the strategic implementation for the instant responsiveness towards the local preferences (Gamble *et al.* 2015). The strategy however is a low-cost strategy for internationalisation or delivery of goods and services to the customers

The transnational strategy is stronger towards the Global integration of standard practices and shows high control over the responsiveness towards local preferences (Hayes, 2021). The transnational strategy focuses on the modifications of the products and services of to-be customers based on the demands and preferences of the local community considering the economy of scale in the production process.

The multi-domestic strategy is stronger towards the local responsiveness has ever weaker in the integration of global standards of the organisation. It offers highly customisable products and services to foreign market customers however, does not necessarily implement the Global integration of the organisation. This strategy requires an in-depth evaluation of the foreign market before entering to eliminate risks.

The export strategy or the international strategy is weaker in the Global integration of processes as well as responsiveness towards local preferences. This strategy must be avoided by the Coca-Cola company in the internationalisation process or the expansion in the foreign market (Gordon, 2023). Without having proper responsiveness from the local customers, it would not be possible for the company to gain required benefits of internationalisation process.

8.0 Green Strategy and CSR

Green strategy refers to the wider concept of Sustainable Development or initiatives of an organisation. A green strategy helps in the identification of various environmental challenges that are prevailing in the businesses of the organisation which are needed to be eliminated to gain sustainable advantage (Zhang *et al.*, 2022). The Coca-Cola company needs to implement the green strategy to incorporate positive results towards financial and organisation growth. The core elements that are needed to be considered in the green strategy are the policies and regulations of the government the business opportunities available and the customer's perceptions of the change.

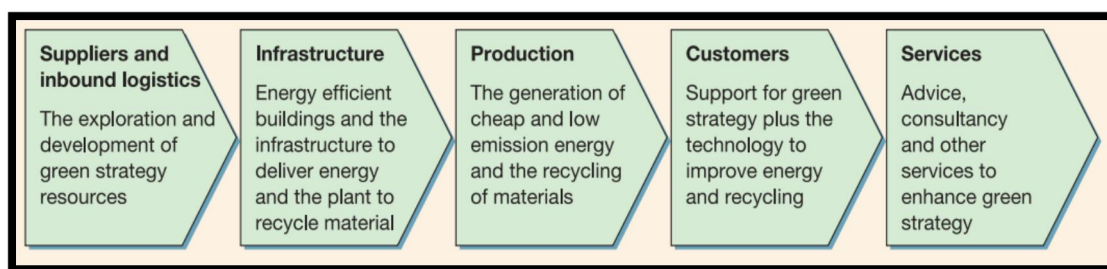


Figure 8: Green Strategy Value Chain

(Source: Taken from the Module)

Implementing the green strategy value chain in the organisation The Coca-Cola Company will incorporate the seven core factors needed for sustainable development. The 7 factors provide an overall inclusion of energy-saving initiatives for efficient use of resources. The green strategy value chain helps the organisation lower carbon emissions and provides opportunities to incorporate recycling policies (Lynch, 2015). The implementation of a green strategy in the organisation will provide advantages to the wider stakeholders of the organisation as well. The green strategy will provide the Coca-Cola company with advantages in benefits and costs of the business by abiding by the policies and regulations of the government in pollution control and decreasing resource wastage providing benefit from

fulfilling customer perception about the increasing environmental pollution via the supply chain of the business (Amankwah and Ayarkwa, 2021). The integration of a green strategy also helps in creating opportunities for increased brand recognition as well as the development of the assets of the organisation.

Incorporating a green strategy in the organisation is important as helps it in the expansion process to the foreign market. Further, the green strategy will also enable various opportunities in the market for sustainable development opportunities that will increase the life cycle of the products as well as improve the business processes of the organisation.

CSR

Sustainable development is available according to the local policies and regulations of the government as well as the preferences of the consumers in the foreign market. This will establish a more loyal customer base for the organisation in the foreign market generating higher financial and organisational growth. Corporate social responsibility refers to the ethical contribution made towards the economic development of the local community and society at large (unido.org, 2023). The Coca-Cola Company aims to recollect 100% of its package material and manufacture the same using recycled material to ensure an overall recycling process for its bottles and cans (The Coca-Cola Company, 2023). As a part of corporate social responsibility, the organisation engages in ethical business operations and provides several services for women empowerment as well as to increase diversity, equity, and inclusion in the workplace. The Coca-Cola Foundation also helps the communities in society to help deal with complex problems (The Coca-Cola Company, 2023). This initiative by the organisation is part of the philanthropic activities which has successfully provided support of more than 1.5 billion dollars towards several economic challenges.

9.0 Conclusion

This report has included an overall evaluation of the business environment of The Coca-Cola Company. The report has majorly focused on the development of various strategies by analysing the external and internal environment of the company. The report has provided and evaluation of the internal business operations using value chain analysis and Porter's Five Forces. Further, it has also evaluated the current strength and opportunities as well as Threads that are prevailing in the business environment. The report has helped the organisation to identify several challenges or elements that pose a threat to the operations of the business and can disrupt its market practices. These analyses and the evaluation from the report will

provide the organisation with an overall understanding of the current competitive advantages of the business and will help them to reformulate their business objectives and goals to eliminate the risk present in the business environment and grab the market opportunities. Lastly, the representation has provided the evaluation growth strategies using the Ansoff matrix and internationalisation drivers which have helped in identifying the major areas where the organisation can focus to enable long-term sustainable growth opportunities.

10.0 Recommendation

After the valuation analysis of various frameworks and models to identify and provide solutions to the challenges in the business environment of The Coca-Cola Company the following recommendations are made to be incorporated for further growth and development of the organisation.

- The company is recommended to utilise the opportunities available in select foreign markets where the competition is lower. This can be done by evaluating the market presence of the computer brands in the foreign desired country or territory (Nuruzzaman *et al.*, 2019). This will allow the organisation to make a profitable position in the market while entering the initial stage.
- The organisation is also recommended to utilise the multi-domestic strategy for expansion into the foreign market. This strategy provides the advantage of global integration methods helping in the standardization of business processes as well as provides increased responsiveness toward local preferences (Paul and Rosado-Serrano, 2019). This will increase the brand loyalty and customer returns of the organisation in the desired foreign market expansion process.

Lastly, it is also recommended to the organisation for an in-depth analysis of the requirements of the consumers in the desired foreign market as well as to identify their needs. In international expansion, this process will help in capturing the market quickly and creating a strong market position for itself eliminating the thread from its local competitors.

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