

INTERNATIONAL MARKETING

*The Coca- Cola Company
“135 years of refreshing the
world”*

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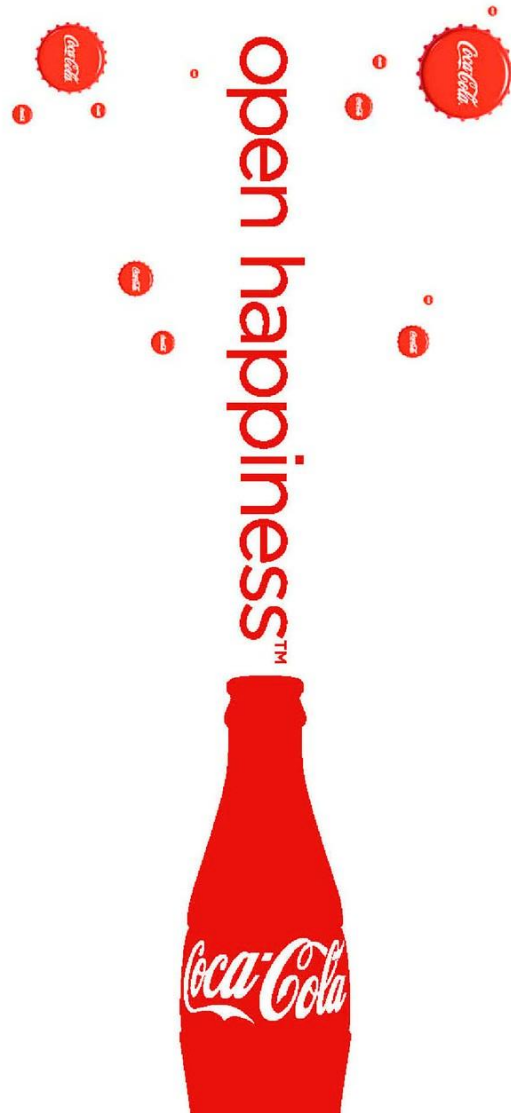
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1. BRIEF DESCRIPTION.

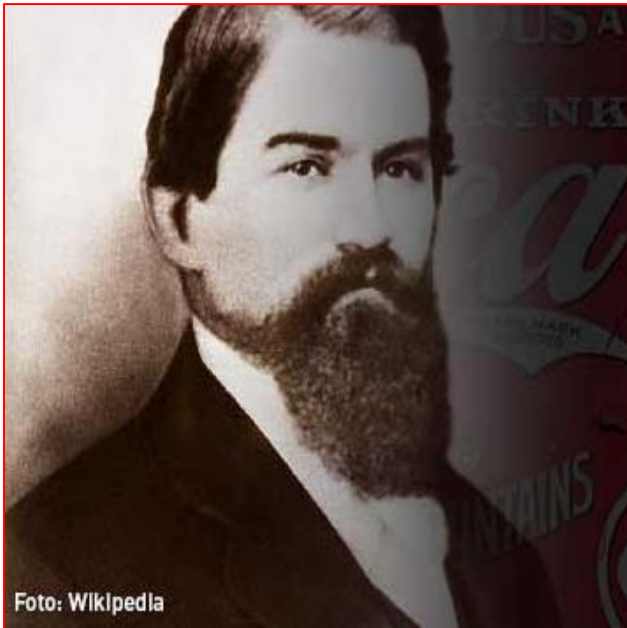
In this paper we will analyse the different marketing methods applied in the Coca-Cola Group, comparing two different countries. For this purpose, we have selected the United States, which is the country where Coca-Cola was founded, and India, a country where the company underwent major changes in order to adapt to a new and different culture, and finally consolidated its position in the country in 1992.

The Coca-Cola group of American origin is an international company that markets, sells and produces carbonated and non-carbonated soft drinks. Coca-Cola's main task is to manufacture the syrup extract, which is then distributed to the different bottlers around the world that have licensed franchises.

Coca-Cola has become known as the world's soft drink (Bell, 2004), in which its first slogan for the drink was "delicious and refreshing." The company has been able to achieve great success over time through its marketing campaigns, to such an extent that it has become an icon of distinction in American culture.



2. COCA-COLA GROUP BEGINNINGS.



Coca-Cola was started in 1886 by John S. Pemberton, an Atlanta pharmacist (**United States**), who was looking for a drug to cure his addiction to morphine acquired during the American Civil War. One day he developed a caramel-coloured syrup formula which he mixed with carbonated water. This new mixture was tested by Frank M. Robinson, who decided to market it, took over the design of the logo and gave it the name **Coca-Cola** because of its two main ingredients: coca leaves and cola nuts.

The first sale took place on May 8th of the same year at Jacon's pharmacy in Atlanta, as a medicinal drink costing five cents a glass.

In 1888, Pemberton sold the formula to Asa G. Candler, who founded, The Coca Cola Company with its head office in Atlanta, from which point the distribution of Coca Cola expanded as a soda.

The first sale of bottled Coca Cola was made on March 12, 1894 at one of his establishments in Mississippi. Over the next twenty years its factories grew from two to over a thousand, more than 95% of which were locally owned and operated.

In 1919, Ernest Woodruff and WC Bradley with a group of investors acquired the company for \$25 million, at which time Coca Cola innovated and broke a record for sales in the United States. Ten years later a new innovation was introduced, Coca Cola cans, in which they were served colder, thanks to their mechanical refrigeration machines and automatic coin control.

The Coca Cola company began to form its worldwide expansion in the 1920s. It now operates in more than 200 countries with a production of around 450 brands, applying a simple but successful formula *“have a moment's rest for a small amount of money.”*

This company and its bottling factory have a state-of-the-art, sophisticated and worldwide distribution and production system. With a slogan that is focused on creating a special moment of pleasure for hundreds of millions of people every day.

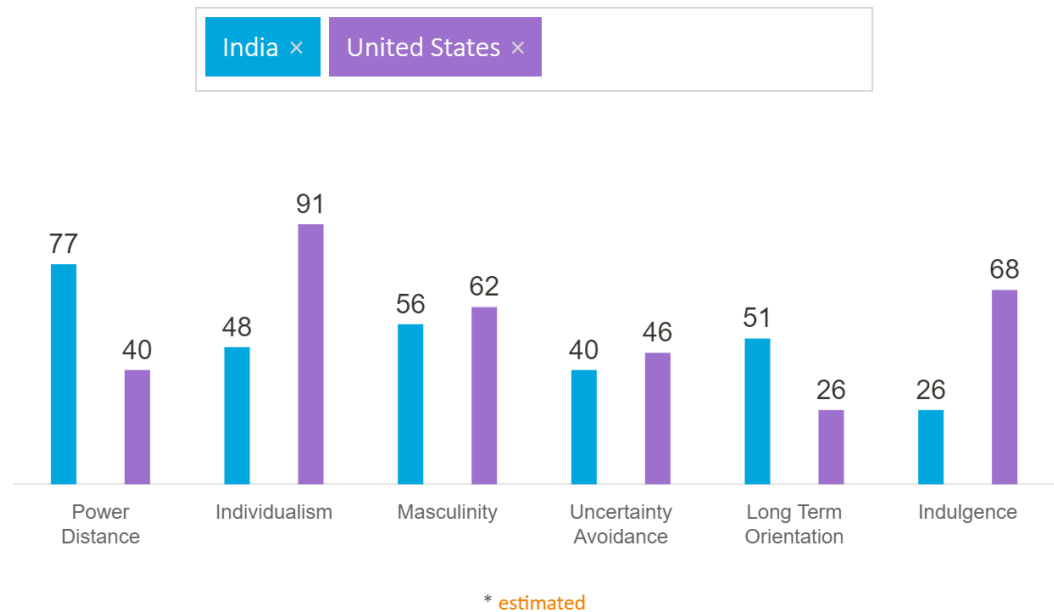
India is one of the largest countries in the world. It is also one of the ten largest economies in the world.

Coca-Cola started in India in 1950, but in 1977 its production had to be withdrawn from the country due to large protests and changes in the laws of the Government of India, which restricted multinational corporations from diluting capital. Years later, in 1992, The Coca-Cola Company resumed its second stint in the country, formally opening its production operations outside Agra (The Coca-Cola Company, 2022).



Source by Coca-Cola India

HOFSTEDE'S MODEL



POWER DISTANCE.

USA, all are unequal, have different degrees of power one exerts more force over the other by influencing ideas or thoughts, so all individuals in society are not equal.

INDIA, hierarchical society, dependence on the boss or power holder for direction, acceptance of unequal rights between those privileged with power and those lower in the pecking order. Immediate superiors accessible but one layer above less, paternalistic leader, directs management, gives reason/meaning to working life and rewards in return for employee loyalty. Real power is centralised, family control.

INDIVIDUALISM.

USA, its premise is "liberty and justice for all" Hierarchy is established by convenience, superiors are accessible and trust their employees, have informal and indirect communication and to some extent participative.

Somewhat close-knit society, people look after themselves and their families, without expecting the authorities to do so. High degree of geographical mobility within the country.

Among men it is difficult to make deep friendships, Americans are not ashamed to approach potential counterparts to obtain or seek information. In the business world, employees are expected to be self-reliant and show initiative. Furthermore, within the exchange-based world of work, we see that hiring, promotion and decisions are based on merit or evidence of what one has done or can do.

INDIA, a society with both collectivist and individualistic traits. An individual's actions are influenced by various concepts, such as the opinion of family, extended family, neighbours, etc. For a collectivist, being rejected by one's peers or being considered inferior by one's immediate and immediate groups leaves one rudderless and with a feeling of intense emptiness.

The individualistic aspect of Indian society is seen as a result of its dominant religion/philosophy: Hinduism.

MASCULINITY.

The USA is a masculine country, combining a high masculinity impulse with the most individualistic impulse in the world. This is reflected in schools or at work where you must "strive to be the best you can be" and that "the winner takes all". There is a "can do" mentality, Americans "live to work".

INDIA, male society. Designer brand etiquette, the glitz and glitz that accompany the advertising of one's success, is widely practised. However, India is also a spiritual country with millions of deities and diverse religious philosophies. It is also an ancient country with one of the longest-lived cultures that gives ample lessons on the value of humility and abstinence. Work is the centre of life and visible symbols of success in the workplace are very important.

AVOIDANCE OF UNCERTAINTY

USA, There is a good degree of acceptance of new ideas, innovative products and a willingness to try something new or different, whether related to technology, business practices or food. Americans tend to be more tolerant of anyone's ideas or opinions and allow freedom of expression. At the same time, Americans do not require many rules and are less emotionally expressive than higher-scoring cultures. At the same time, 9/11 has created a lot of fear in American society culminating in the government's efforts to monitor everyone through the NSA and other security organisations.

INDIA, imperfection is accepted; nothing has to be perfect and nothing has to go exactly as planned. India is traditionally a patient country where tolerance for the unexpected is high; it is even welcomed as a break from monotony. People generally do not feel driven and compelled to take action initiatives and settle comfortably into established roles and routines without question. There is a saying that "nothing is impossible" in India, as long as one knows how to "adjust".

LONG-TERM ORIENTATION.

USA, Americans are prone to analyse new information to see if it is true. The United States is one of the only "Caucasian" countries in the world where, since the early 20th century, church attendance has increased.

INDIA, the concept of "karma" dominates religious and philosophical thinking. Time is non-linear and therefore not as important as in Western societies, which tend to score low on this dimension. Countries like India have a high tolerance for religious views from all over the world. Hinduism is often considered a philosophy rather than a religion; an amalgam of esoteric ideas, views, practices and beliefs. In India there is an acceptance that there are many truths and it often depends on the seeker. Societies that score high in pragmatism are often forgiving of lack of punctuality,

INDULGENCE.

USA, Work hard and play hard. The US has waged a war on drugs and is still very busy doing so, but drug addiction in the US is higher than in many other rich countries. It is a prudish society, but even some well-known televangelists seem to be immoral.

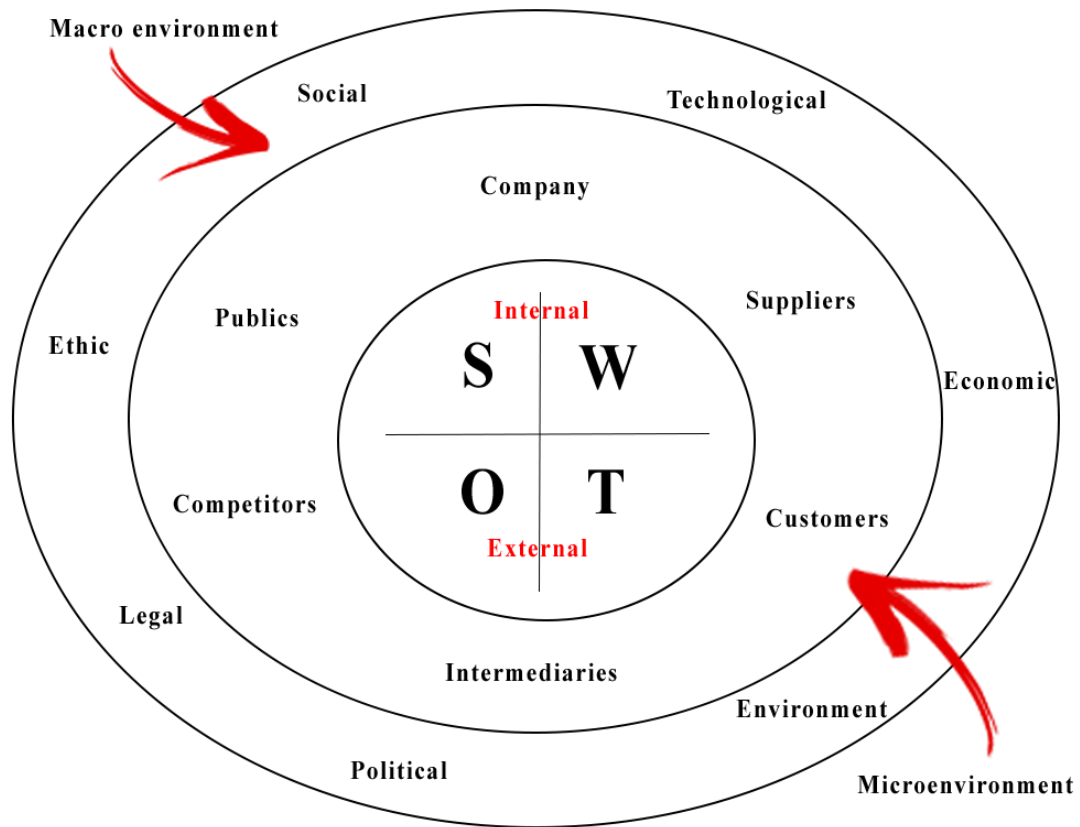
INDIA tends towards cynicism and pessimism. Also, in contrast to indulgent societies, restrained societies do not place much emphasis on leisure time and control the gratification of their desires. People with this orientation have the perception that their actions are restricted by social norms and feel that indulgence is somewhat wrong.

3. ENVIRONMENTAL ANALYSIS.

Decision-making and the creation of a company's strategy is affected by various factors in its environment, both internal and external. These factors must be analysed in depth in order to create long-term brand value and reputation. For this purpose, a SWOT analysis (strengths, weaknesses, opportunities and threats) will be carried out, which will be combined with a PEST analysis (political, economic, social and technological factors).

3.1 Macro environment.

PEST analysis is a valuable tool for analysing the external environment in which a business is going to develop, i.e. when a company is planning how to start its business taking into account the surrounding environment (Henry, 2008). Therefore, in this section, we will study the environmental factors that affect the development and operation of the Coca-Cola Company.



Source by Research Gate

3.1.1 Political factors.

The United States is affected by a number of political factors, as each state has its own elected governor and legislature. Coca-Cola must also comply with the legislation established by the Food and Drug Administration (**FDA**), given by the government in order to be able to sell its products. In the same way, we can see how the different taxes affect the marketing of their drinks, so in 2016 in Philadelphia, for the first time a tax was imposed on sugary drinks, since then all sugary drinks have a tax of 1.5 cents per fluid ounce, which distributors must assume, as a result Drexel University conducted a study of the citizens of this state and came to the conclusion that Philadelphia managed to reduce the consumption of soft drinks by up to 40% and increased water consumption by 58%.

In **India**, the most important political factor and the one that most affects the company in this country is corruption, in general, any company that establishes itself in India must adapt to the laws and policies of the country. We can see in the Corruption Perception Index (**CPI**), how India has a score of 40/100, resulting in its level of corruption not decreasing in the last five years, stagnating at 85th place in the ranking (out of 180 countries) since 2020. Corruption is a big problem for India, as potential investors will be discouraged from doing business in the country.

However, Coca-Cola, on its part, has a built-in anti-corruption policy, creating businesses with integrity, staying away from any form of corruption, thus complying with each country's regulations. The company is also a member of the World Economic Forum's Partnering Against Corruption Initiative (**PACI**). This is reflected on Coca-Cola's website: *"PACI's mission is to develop principles and practices across sectors that create a competitive and level playing field based on integrity, fairness and ethical conduct."* (The Coca-Cola Company, 2015)

3.1.2 Economic factors.

Coca-Cola's sales are affected by a number of economic factors that are beyond the company's control. These factors include the level of country and industry economic growth, tax rates or currency exchange rates, among others.

In 2020, in the **United States**, the Coca-Cola company had a decrease in its revenues as a result of COVID-19, decreasing its sales by 9%, which led them to make an internal restructuring of the company where more than 10,400 Americans were left without jobs (Los Angeles Time Newspaper, USA, December 17, 2020).

On the other hand, from a positive point of view, Coca-Cola has an excellent strategy to combat inflation or the current consequences of the war, as it has a great ability to pass on rising production costs to consumers (Aaron Back in The Wall Street Journal, 2021).

The dilemma of this problem is that its consumers pay to satisfy a desire, hence the big question: what price are they willing to pay? In recent years, the price of their drinks have been driven up by inflation, new taxes on sugary drinks, currency exchange rates, etc., a clear example of which can be seen in 2016, when Coca-Cola sales fell due to the

rising dollar. In 2002, a 1.5-litre bottle of Coca-Cola cost \$0.99 and today it costs between \$1.95 and \$2.63 depending on the state (Expatistan.com, 2022).

In **India**, the company has had a positive impact on the economic environment, leading to a decrease in the employment rate. This action in turn generates wealth for the country, i.e. having more people employed contributes to an increase in GDP, favouring the country's economic growth. The GDP in 2012 was 1827.64 USD and in 2021 it was 3173.40 USD (TradingEconomics.com, 2022).

A negative aspect for the company is India's national debt. In 2016, it recorded a public debt to GDP ratio of 68.77% and in 2022 it is 73.85% the highest in the last ten years (TradingEconomics.com, 2022). This is a barrier that Coca-Cola must try to overcome, as this indebtedness may lead the government to adopt new measures such as raising taxes or cutting public spending. Making consumers have less purchasing power and eliminating non-essential products from their daily shopping.

3.1.3 Social factors.

In recent decades, Coca-Cola has been perfecting and guaranteeing its products by adapting them to the culture, customs and religions of the countries where it sells and markets its beverages, generating great acceptance and interest among consumers.

Thus, in the **United States**, the company has been adapting to the new approaches of citizens who want to reduce obesity and lead a healthy life, moving away from sugary and carbonated drinks and replacing them with teas or water. Because of this, Coca-Cola has expanded its range of beverages and is producing Peace Tea or Smartwater, among other beverages to adapt to the new habits of North American consumers (Coca-Cola Company, 2022).

Similarly, we can see that in **India** they have campaigns against poor diet and obesity, 40.3% of the Indian population is overweight (SageJournals.com, 2021), to prevent sales of Coca-Cola products from being limited by the government, the company has created different healthier substitute drinks for the Indian population, such as Coca-Cola Zero or Diet Coke, which contains 0% sugars, calories and saturated fats. They also have an alternative, Coca-Cola Life, which has a third less sugars and only 89 calories.

Likewise, the company has been able to adapt to its religious customs, a very important factor for India is its religion, having one of the largest Muslim communities in the world. During Ramadan, when for 30 days people are not allowed to drink anything but water, Coca-Cola avoids promoting its products by adapting to the religious habits of the population.

3.1.4 Technological factors.

In the XXI century, technology is a fundamental tool that ensures the success of the Coca-Cola company. This is why it makes the most of its websites, social networks, apps, phones, computers, without neglecting traditional television commercials to advertise its products.

In the **USA**, Coca-Cola makes its products available to all its consumers through innovation and technology, which, with the help of data collection, can improve the company's decision-making and open up new distribution channels. Charly Jo Moyer SVP of Coca-Cola said "Our core job is to follow the consumer" (Beverage Digest Market Smarts conference, 2019).

The data collection is done through Coca-Cola's Decision Science and Data Strategy Centre of Excellence in the US, which collects and analyses all the data, in order to give a broader and more accurate view on decision making, while uncovering new opportunities in the market.

The innovations will generate growth in e-commerce, online ordering and mobile app ordering. For example, Coca-Cola partnered with goPuff, a start-up that delivers orders to college campuses.

On the other hand, in **India**, there are 658 million internet users in January 2022 and almost 70% of households have a television (Datareportal.com), these two tools are the most used by Coca-Cola to promote its products in the country.

3.1.5 Environmental factors.

The multinational Coca-Cola has a big open dispute over whether or not it is environmentally friendly because of the plastic waste it generates and the resources it uses when producing its products.

Coca-Cola has been named as the company with the largest plastic footprint on earth, with 2.9 million tons of plastic packaging produced annually.

India is affected by the Coca-Cola company's overexploitation of its natural resources and water.

In 2016, the American Coca-Cola company had a conflict with India (Uttar Pradesh) over the irrational use of water for the production of soft drinks in a place where water scarcity is evident. The inhabitants demanded that the Pollution Control Board prohibit the factory from extracting water. Amit Srivastava, coordinator of the India Resource Centre (IRC) said that *“Coca-Cola uses the same groundwater that the community uses for drinking, cooking, washing, watering and feeding livestock”* and the consequences of this are that many wells have dried up.

In recent years the company has improved its water efficiency in the production of its beverages, using 2.17 litres of water for every litre of beverage in 2010 and today that ratio is down to 1.83 litres, with a target to improve efficiency by 20% by 2025 (Coca-Cola Company, 2022).

3.1.6 Legal factors.

In the **USA**, the Food and Drug Administration (FDA) considers non-alcoholic beverages as food, so the manufacturing process of Coca-Cola beverages is regulated by the government. Therefore, if it does not comply with the standards imposed by the government, it could be fined. The company is also subject to the Occupational Health and Safety Act and local, state, federal and foreign environmental legislation.

Coca-Cola retains all rights related to its business, including past and future products developed with a patented process.

In **India**, due to the environmental problem caused by water shortages, changes in legislation have had to be made, for example, in 2004 in Kerala, one of Coca-Cola's plants was forced to close due to complaints from residents about heavy pollution and groundwater exploitation. This former Coca-Cola plant in 2021, opened as a new Covid Hospital facility¹⁹ (The Indian Express, 2021)

3.2 Micro Environment.

A. The Company.

Coca-Cola is the world's largest beverage company operating in more than 200 countries with more than 3,000 products sold to bottlers and retailers around the world. Coca-Cola's strategy is to sell a syrup that becomes a carbonated, refreshing beverage.

Coca-Cola's mission, vision and values in both the **USA** and **India** is to make a mark wherever it operates, making a difference to people and communities by enabling them to enjoy the unique taste of its beverages. . They also strive to make the world a better place for everyone, no matter where they are on the planet (The Coca-Cola Company, 2021).

In both countries they have focused their value chain on environmental concerns, with sustainability initiatives in water use and carbon emissions reduction, and the company offers energy efficient and HFC-free refrigerators (Coca-Cola Hellenic Bottling Company, 2020).

Coca-Cola is a multinational whose vision statements are based on a decentralised leadership model within centralisation. That is, the world headquarters retains overall decision-making, located in Atlanta, Georgia, USA and the corporation is divided into regions and geographic territories in which it operates which are then organised into functional departments which in its case comprise the Production, Industrial Relations, Sales and Marketing and Human Resources departments. Thus, Coca-Cola's headquarters in India is located in Gurgaon (The Coca-Cola Company, India, 2021).

B. Suppliers.

The company has a Comprehensive Supplier Development Program that indicates that they work hand in hand with their suppliers to reduce the environmental and social impacts generated by business interaction, from self-assessment to compliance with the Coca-Cola Company Principles.

Thus, in the **United States**, its supplier is Arca Continental (The Coca-Cola Company's own supplier, TCCC), which supplies sugar, PET bottles, PET resin, glass containers, cans, screw caps and carbon dioxide, which supplies its company and all bottling companies in North America, managed directly by TCCC.

In **India**, on the other hand, its bottling partner is Hindustan Coca-Cola Beverages Pvt Ltd (HCCBPL), which is part of The Coca-Cola Company's Bottling Investments Group (BIG) and is responsible for the production, packaging, sales and distribution of Coca-Cola products, i.e. it is responsible for 65% of Coca-Cola's operations in India.

C. Customers.

In the **United States**, one of the largest markets is soft drinks (Mintel Report, 2022). Coca-Cola has successfully adapted to the current needs of its consumers by launching new flavours, as we can see in the new product that Coca-Cola launched on 15 August 2022 for a limited time in this country and Canada. It is the fourth drink launched by Coca-Cola Creations (an innovation platform focused on limited products that integrate a digital component) called “***Dreamworld***” which comes with a QR code that gives access to a virtual music experience, interact with a virtual DJ or get exclusive outfits for their avatars. CNN, Economics, 2022). In this way it stands out from its rivals and attracts a younger audience to consume its products.

In **India**, Coca-Cola initially had problems adapting to Indian culture and the head of Coca-Cola's Indian operations said “*The problem was that we were not addressing the masses.*” Now it has been able to consolidate by targeting 75% of the rural population, reducing the size of the bottles and consequently the selling prices. Therefore, the 200mm bottles were sold at half the original price of a 300mm bottle, now a 33cl Coke costs 34.80 rupees (£0.37), Coca-Cola took the strategy of reducing costs and increasing production. Moreover, the company in India is moving away from global campaigns, as the Indian market is not interested (The Times of India, 2015).

In both India and the United States, Coca-Cola's beverages are aimed at the family, which is why you will find its beverages in small shops, restaurants and supermarkets. Another strong point is the interaction Coca-Cola has with its consumers creating emotions in them, for example in the Coca-Cola Christmas Campaign 2021 in the United States, titled “*Real Magic at Christmas*” creating connections of unity, kindness and happiness with Christmas and Coca-Cola products that together can create special moments. (The Coca-Cola Company, 2021)

“Real Magic at Christmas”



Source by The Coca- Cola Company

It does the same in India, sharing the colourful festival of Holi with Indians with its “*Khelo Fanta Wali* #**NoBahanaHoli**” campaign making it clear that the refreshing taste of fanta can be combined into a moment of fun, inviting young people to have a joyful time without making excuses. (The Week, 2020).

“Khelo Fanta Wali #NoBahanaHoli”

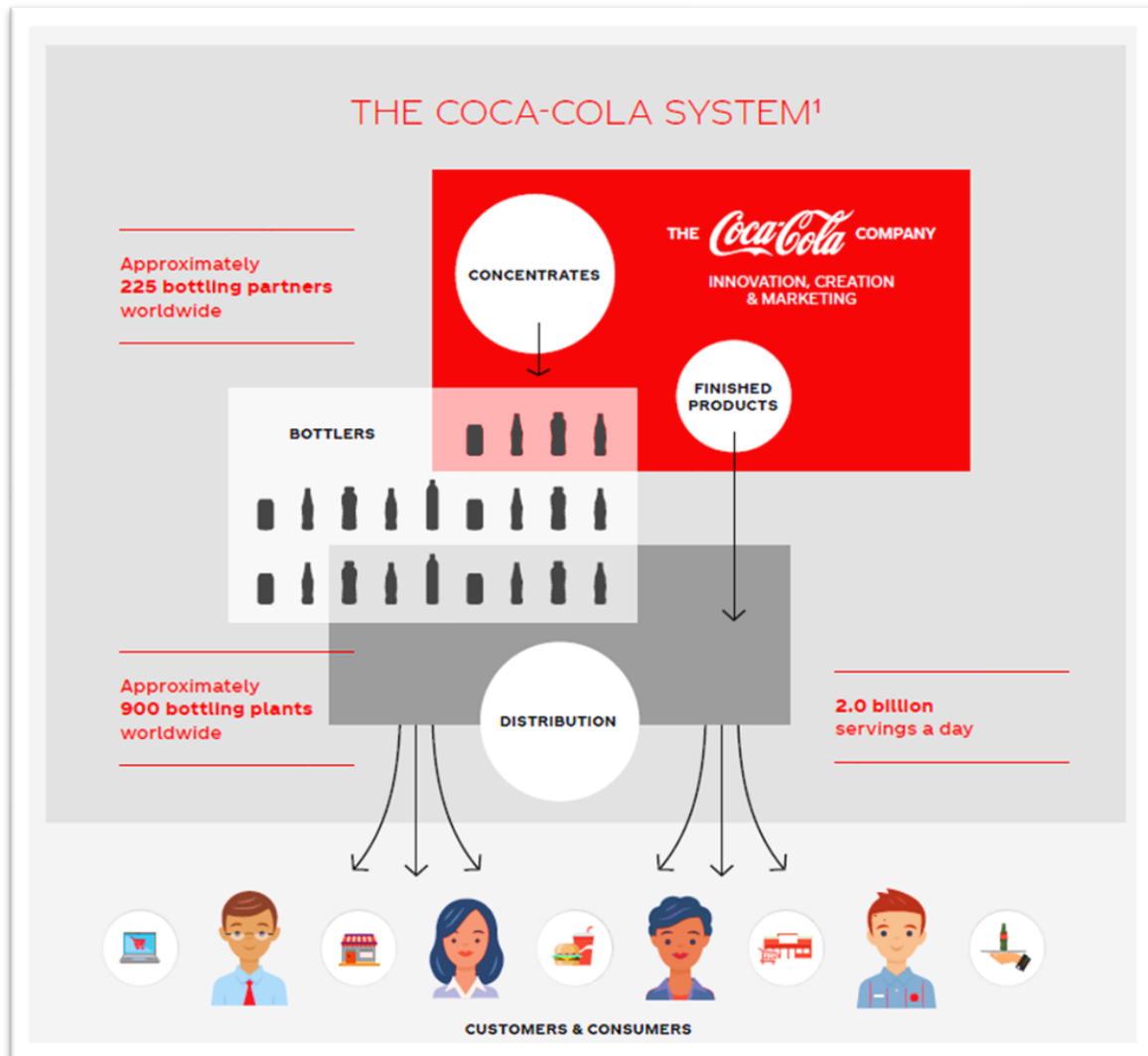


Source by Google.com

D. Distribution.

The Coca-Cola company has a vertical distribution system, in which its headquarters in the **US** distributes to the rest of the world in two different ways. On the one hand, it manufactures and sells beverage concentrates and syrups to its bottling partners, and on the other hand, it delivers all its finished products to wholesalers and retailers in the country (The Coca-Cola Company, 2019.).

Similarly, Coca-Cola **India** SA Ltd., which is a wholly owned subsidiary of The Coca-Cola Company of USA, one of its various functions is to distribute and supply Coca-Cola products to wholesalers and retailers (Indian Beverage Association, IBA).



Source by The Coca-Cola Company, 2021

E. Competitors.

Coca-Cola spends millions of dollars on advertising, contracts with actors and actresses, and is the undisputed market leader. Nowadays, it is not necessary to see advertisements to recognise the Coca-Cola brand. In this respect, we must add that its great rival is the multinational Pepsi Cola.

PepsiCo is the second largest food and beverage company in the world, which allows it to earn more revenue in the **United States** than Coca-Cola, as it sells not only beverages but also food. It also has smaller competitors such as Nestle, Red Bull and Dr. Pepper. The big disadvantage for Coca-Cola is that it only focuses on the beverage market (FourWeekMBA.com)

In **India**, the direct competitor is PepsiCo (based in New York, USA), which distributes to the Indian market all kinds of carbonated soft drinks, carbonated soft drinks, bottled water, energy drinks, juices and tea. However, there are also indirect competitors such as Dr. Pepper, Mountain Dew, 7-Up, Diet Sodas and other carbonated beverages that can substitute the taste of Coca-Cola. (Academia.edu)



Source by Google

F. The Public.

The multinational has a high market positioning due to the implementation and economic investment in marketing and communication, with a digital presence with profiles on all social networks, allowing it to be in constant contact with its consumers in this digital era.

In **India**, Coca-Cola has always been challenged since its inception in 1977. In 2004, samples of Coca-Cola were found to contain high levels of pesticide in the Andhra Pradesh and Chattisgarh regions, when farmers discovered that Coca-Cola was being used as a pesticide, as reported by John Vidal of The Guardian. The company quickly acted, testing its products to make it clear that its drinks in India are as clean as anywhere else in the world. We follow standards set globally," Bjorhaus said.

Coca-Cola, both in the US and in India, follows a comprehensive programme to manage, develop, motivate and attract new employees, giving them opportunities to grow within the company and training them to become more productive.

In 2019, in the **US**, Coca Cola banned animal testing after a discussion with PETA. Thus, Ingredion Incorporated, "a major supplier of corn syrup to The Coca-Cola Company" agreed to a new policy of not using animals for basic nutrition or health research that is not required by law. (PETA, 2019)

3.3 Environment scanning.

- **Global environment.** In the US, Coca-Cola expanded rapidly, while it took the company longer to enter the Indian market, but it finally succeeded because it was able to adapt to the Indian culture and not to adopt the American culture.

- **Marketing Environment.** India, as well as the United States, is focused on customer satisfaction.

- **Governmental law issues.** In the US, Coca-Cola was affected by FTC regulations and other federal regulations addressing the issue of obesity, so Coca-Cola introduced healthy living in its advertisements. Similarly in India, Coca-Cola is betting on a lower-sugar beverage market, recently introducing Coca-Cola Zero in the country. (Financial Express, 2022).

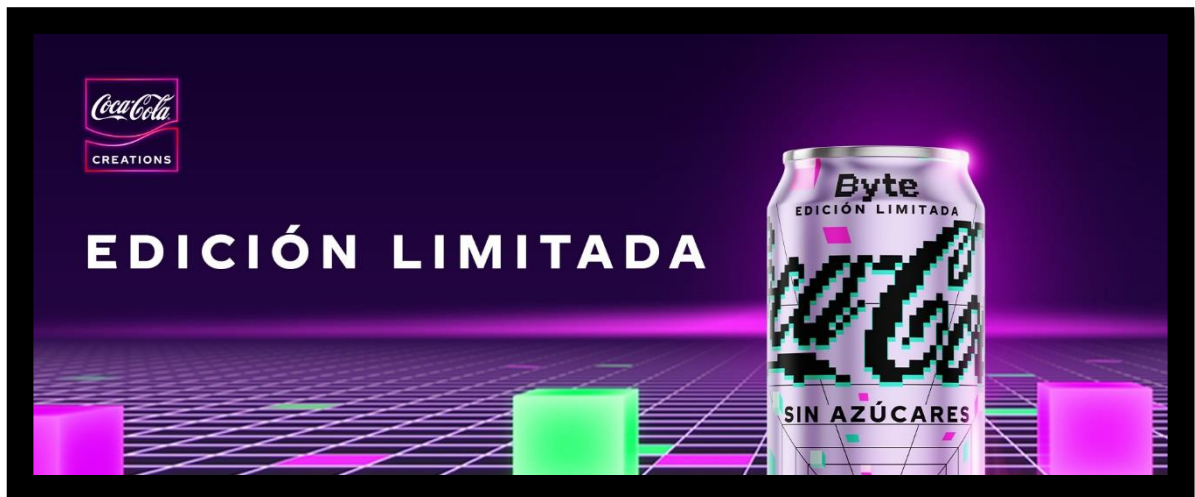
- **Legal issues.** In these two countries, Coca-Cola has been heavily criticised for claiming that its ingredients are healthy or saying that its drinks have healthy vitamins, but are loaded with added sugars.

- **Ethical issues,** from its headquarters in the US, have assigned integrity as a key ingredient, governed by a Code of Business Conduct for The Coca Cola Company's

suppliers, but which has been clouded in India by irrational water consumption or heavy pollution from factory waste. (Mongabay in India).

- **Social issues.** Human rights laws and the internal policy of the US Coca-Cola company prohibit working with companies that use child labour. Unfortunately, child labour exists in India because it does not refer to the sugar cane fields or in its recycling plants (Asia News 2017).

- **Technology.** In the middle of this year in the US, Coca-Cola® Byte, created by Coca-Cola Creations, was launched as a limited edition drink based on the video game community (The Coca-Cola Company, 2022). In India, Coca-Cola uses Indian celebrities for its advertising campaigns such as Smartwater in 2019, in which celebrities share the new product on their social networks. (TheDrum.com, 2019).



Source by The Coca-Cola Company



Source by FabNews

- **Commercial Trends.** The Coca-Cola company in India and in the US, covers almost the entire beverage market, from soft drinks, still drinks, waters, energy drinks, teas or coffee drinks.

4. PORTER'S FIVE FORCES MODEL.

Porter's 5 forces are part of a competitive analysis model created by **Michael Porter** in 1979, which consists of considering five “*forces*” that can determine the position of any company in its respective market. (Harvard Business Review)

This analysis will provide an overview of how Coca-Cola is positioned in the market, depending on the development of the different internal and external factors such as suppliers, customers, competitors and the financial strength of the company.



Source by Marketing10

Coca-Cola Company Strengths and Threats Table.

The forces	Threat
Bargaining power of buyers	Medium to high
Bargaining power of Suppliers	Low
Threat of new entrants	Medium to low
Threat of substitute products	Medium to high
Rivalry of competitors	High

Source by myself

4.1 Threat of new Entrant.

- Coca-Cola is a leading brand in the USA, India and globally, with a strong market presence.

- As there is high competition in the market, its prices fluctuate depending on the geographic area and currency. Thus, the prices of Coca-Cola products are cheaper in India, but cost more in the USA.
- It takes a lot of investment to enter this market, due to the high costs of production, storage and distribution.
- Coca-Cola's products operate with an economy of scale, so a new entrant cannot consider the experience of the first entrant to improve product quality while reducing costs.
- Customer loyalty, in the US there is a higher loyalty to Coca-Cola products, while in India they have a lower level of loyalty to Coca-Cola, as consumers are more focused on the price they will pay.
- Finally, there is no real threat to Coca-Cola from new entrants, because the soft drinks market is an oligopoly, in which two companies dominate the market, and it would be difficult for a new manufacturer to enter the global market (Levitt, 1983).

4.2 Power of Buyers.

Coca-Cola operates in the same way in the US as it does in India when it comes to customer bargaining power. As the company has different buyers, each will have a different level of bargaining power, so small shop and vending machine owners have low bargaining power, while the direct end-user has no bargaining power at all, buying the product at a fixed price.

The disadvantage for Coca-Cola is that the company and/or suppliers must bear the fluctuations that sometimes occur in manufacturing, storage and distribution costs, and cannot pass them on to others.

In India, soft drinks are used only on special occasions, so they consume more water, coffee or tea, to which Coca-Cola saw an advantage, giving its Indian consumers substitute products from the same Coca-Cola chain.

In conclusion, it can be said that buyers from the two continents pay different prices depending on their bargaining power.

4.3 Threat of Substitute.

The threat of new substitute products for Coca-Cola is low, as the new product would not have the necessary strength to penetrate and establish itself in the market. Moreover, its price would be high. Therefore, customers would not pay, nor would they switch to a new product for a higher price.

On the other hand, established products are great substitutes and competition for Coca-Cola, as consumers in the beverage market are very price sensitive and will easily switch to a lower-priced product. (Scribd.com)

Consequently, in North America and India, Coca-Cola has diversified its product range to meet the needs of all its customers. (The Coca Cola Company)

Coca-Cola products. The table below shows the Coca-Cola products that each country has. (The Coca Cola Company and The Coca-Cola Company India.)

United States	India
Sparkling soft drinks: – Coca-Cola, Diet Coke – Appletiser – Fanta – Fresca – Scheweppes – Sprite Water: – Aquarius – Ciel	Sparkling soft drinks: – Coca-Cola – Limca – Maaza – Thumps Up – Fanta – Sprit – Rimzim Juices & Juice Drinks: – Maza

– Glaceau vitamin water Juices & Juice Drinks – Innocent – Simply Te & Coffe: – Fuze Te – Gold Peak Tea Others: – Fairlife	– Rani
Te & Coffe : Georgia, Costa Coffe Water: Smartwater, Kinley carbonated water (USA) still water (India) Juices: Minute Maid	

4.4 Power of Suppliers.

- The bargaining power of suppliers is very low, both in India and in North America, Coca-Cola has a high availability of raw materials to produce beverages (Fahad, 2013).
- The supplier in both continents is interested in being a bottling partner of Coca-Cola because of the profitability that this market offers, as an example we can see that in India the supplier Kandhari invested 300 million rupees in the years 1999 and 2000 to improve efficiency and quality in its operations (Niirproject Consultancy Services, 2012).

4.5 Competitive Rivalry.

Competitor rivalry is high even though this market is largely led by PepsiCo and Coca-Cola. The disadvantage that Coca-Cola has in both India and the US is that PepsiCo has also focused on the food market and has other products that generate profits, which the Coca-Cola company has opted for costly and aggressive advertising campaigns.

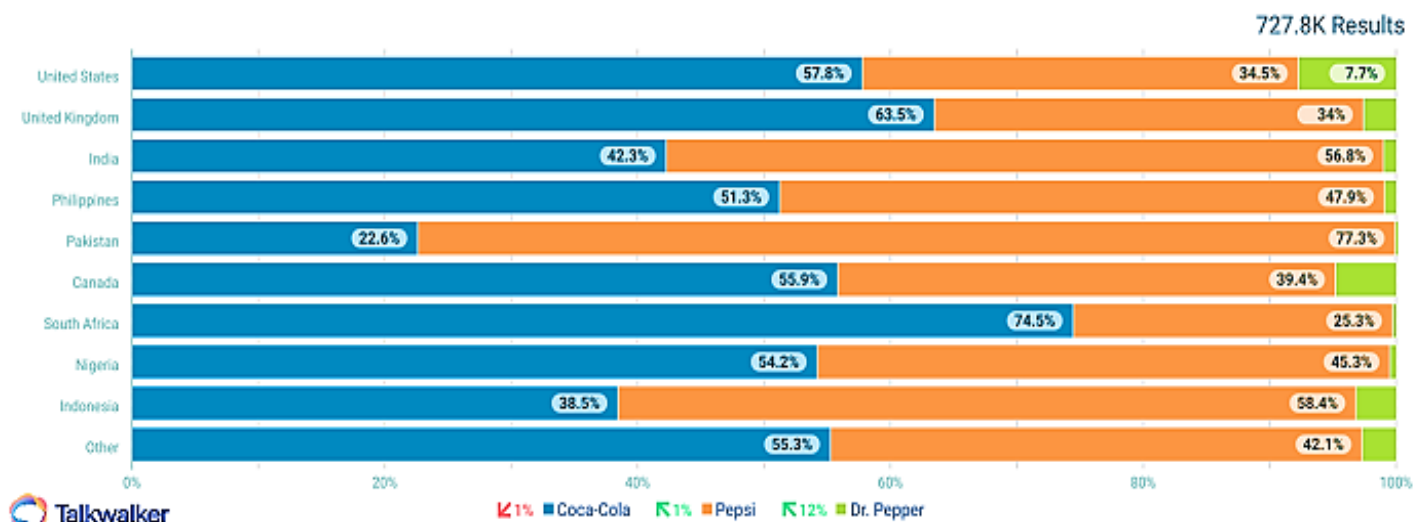
In the US, Coca-Cola had 57.8% market share, and ranked number 6 in the Forbes top 100 most valuable brands 2022, while PepsiCo has 34.5% market share and is ranked number 36 in the Forbes list 2022 (Forbes.com, 2022).

In India, Coca-Cola has a 42.3% market share compared to PepsiCo's 56.8%, but Coca-Cola considers India to be an attractive market because of its huge population.

The following graph presents some countries, including the USA and India, where it shows the percentage of the carbonated soft drinks market held by Coca-Cola in the country and its main competitors, Pepsi and Dr. Pepper..

KEY PLAYERS

By Countries



Source by Talkwalker

Advantages and disadvantages of Porter's five forces model.

Advantages:

- It guides decision making in order to produce new and better products.
- It is outlined as a qualitative model, i.e. analysis of non-numerical data.
- It defines key forces in your environment.
- It is a versatile model that can be applied to industries, companies or products.

Disadvantage

- The main disadvantage is that it is a purely external analysis and cannot determine whether a product is effective.
- The model only considers market factors, forgetting other factors that also affect the company.

5. SWOT ANALYSIS.

SWOT analysis, developed by Albert Humphrey 1960 (Stanford) is a tool that assesses the competitive position of a company. It also identifies risks and opportunities by exploring the most lucrative existing markets (British Library).

5.1 Internal strategic factors.

A. Strengths

High market penetration and extended global reach. The company owns, distributes and sells more than 600 brands in over 200 countries, offering a variety of products and meeting the needs of its consumers.

- USA after surviving 135 years, the Coca-Cola brand is a symbol of American culture.

- In INDIA, they designed new presentations of the products already known locally and introduced new flavours.

Coca-Cola brand value. Its brand has created great value for consumers and has a strong identity, being one of the most famous brands in the world, and in 2021 the value of its brand was \$57 billion (Forbes, 2021).

- For the US and India, consumers identify it as a refreshing product that is enjoyed with the family.

Consumer loyalty, the multinational has strong consumer loyalty because of its range of products that are accepted by the masses. Its consumers have associated it with happiness.

- In the USA and India, Coca-Cola is one of the brands that has a very high emotional bond with its inhabitants.

Successful marketing campaigns in which Coca-Cola always targets all age groups.



USA, in 1931 Coca-Cola released an image of Father Christmas dressed in red and white for the Christmas advert that has lasted until today or in 2015 when it launched Coca-Cola Zero, creating the campaign with the slogan "year of transition" to adapt to citizens concerned about adopting healthier lifestyle habits (The Coca-Cola Company, 2022).

INDIA, 31 Splash Bars were opened in 2013, there are now more than 30,000 kiosks selling around 1.5 million glasses of Coca-Cola a day at affordable prices to towns and villages that also serve as meeting points for locals to unwind while enjoying their refreshing beverage (ProductAventures.com)



Social responsibility programmes that the Coca-Cola company undertakes on a voluntary basis to try to make a positive social change.

- USA. Coca-Cola collaborates with different social programmes such as the Women's Entrepreneurship Coaching Hub, aimed at black women to help them start their own businesses, or the Agape After School Program, which supports students from low-income families (The Coca-Cola Foundation, 2021).
- India. In 2017 Coca-Cola won the Bureaucracy Today CSR Excellence Award for training and employing 50,000 women, helping them to become economically independent (EducationDiary, India, 2020).

Its distribution channel is one of the largest and most efficient in the world. Coca-Cola has around 225 bottling partners and more than 900 bottling plants around the world.

- USA, there are 10 bottling plants and 38 distribution centres.

- INDIA, there are 15 TCCC-licensed bottlers.

Partnership with alcoholic beverage companies. Constellation Brand, maker of the famous Corona beer and Coca-Cola, partnered with to create cocktails under the “Fresca” soft drink brand. It also did the same with Jack Daniel's Tennessee Whiskey, a drink that blends the traditional Jack and Coke. (CNN.com)

- USA: Coca-Cola and Constellation Brand have launched a strawberry-flavoured cocktail this year, called "Fresca Mixed" (CNBC.COM).
- INDIA, unfortunately in India there is still no such partnership.

B. Weaknesses.

Bad publicity for its ingredients, carbonated drinks have sugar as a main ingredient, which in turn are the main cause of obesity and diabetes. This is a controversial issue for Coca-Cola, as health experts prohibit its consumption.

- USA, Coca-Cola has more than 800 beverages of which 250 are low sugar and sugar free (The Coca Cola Company).
- INDIA in the same way Coca-Cola has introduced its low-sugar drinks, such as Diet Coke.

Focusing on carbonated soft drinks, Coca-Cola has remained stagnant in the beverage market, while its big rival PepsiCo has diversified into other sectors such as snacks with brands like Lays and Kukur.



Generator of highly polluting waste. Coca-Cola is one of the four largest consumer companies (along with PepsiCo, Nestle and Unilever) that is contributing to greenhouse gas emissions, and the burning of its plastics produces so-called “*black carbon*” with a warming effect 2,000 times that of carbon dioxide. (Tearfund, 2020).

USA, to counteract this Coca-Cola started distributing its drinks in 100% recycled PET plastic bottles in Florida, California and other northwestern states (Independent.com).

INDIA, in January 2022 Coca cola has set itself the target within 2 to 3 years to package its products in 100% bottles and cans, as part of its *World Without Waste project*. (The Coca-Cola Company)

Legal charges. The Coca-Cola Company over the years has had to contend with lawsuits of all kinds that have resulted in millions of dollars in losses.

- USA. Rothschild Connected Devices Innovations LLC's 2020 lawsuit against Coca-Cola over the use of touchscreens in its machines (Discover Thomson Reuters, 2020).
- INDIA, has suffered many damages since the company entered the country, clear examples are the 2003 lawsuits in the southern state of Kerala that left farmers without water and contaminated their land (The Guardian), 2017 in Tamil Nadu that prohibited the extraction of water from the Thamirabarani river (Reuters).

Technology dependency, Coca-Cola to be in the hands of third-party technology providers

- USA: In 2020, Coca-Cola and Microsoft sign a five-year contract, with Microsoft supplying enterprise software (Discover Thomson Reuters, 2020).
- INDIA, Coca-Cola has no technology agreements with this country.

Product portfolio reductions, Coca-Cola announced that it will remove nearly 200 products from its portfolio globally because they account for only 2% of its total turnover.

- USA CEO James Quincey, the firm's executive director, said the company's commitment will be to promote its traditional products, which have given them good results, eliminating brands such as TAB: diet drink, ZICO Water, ODWALLA: smothie Brand. (CNN-Business, 2021).
- INDIA, the company is still introducing its products such as VIO milk (Dairyreporter.com).

5.2 EXTERNAL STRATEGIC FACTORS.

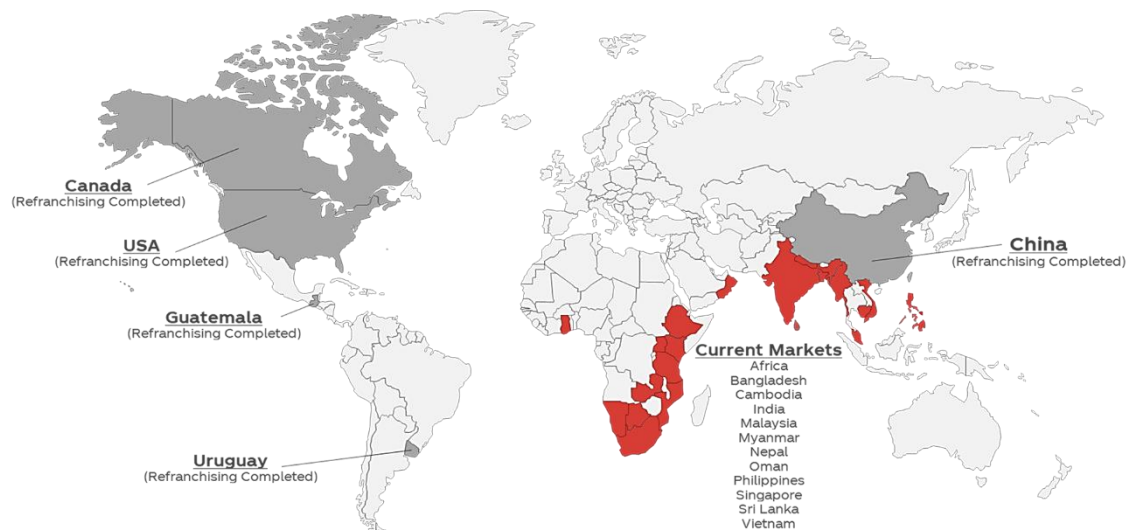
C. Opportunities

Growth in demand for healthy food and beverages, Coca-Cola has been adapting to the new needs of its consumers by creating low-sugar products but could also diversify into the food sector.

- In the USA and INDIA, Coca-Cola has a portfolio of teas, Diet Coke, zero cola and other items focused on a healthier lifestyle.

Emerging markets, Coca-Cola continues to expand into new markets, the formula is a sale of products at lower prices, but in large quantities (BBC News, 2018).

- INDIA is the second most populous country in the world with more than 1,330 inhabitants (CIA World Factbook 2021), because of global connectivity, the Indian population is more willing to change its preferences. Likewise, the middle-income Indian is redefining his tastes to lifestyle patterns by adopting certain western tastes. Not to mention that India has abundant natural and agricultural resources that the Coca-Cola company sees as an excellent opportunity.



Source by FourWeekMBA

Acquisitions and expansion, just as it did with Costa Coffee or Aha (sparkling water), Coca-Cola has the financial resources and a wide range in which it can expand and make high profits as it is doing in the alcoholic beverages sector.

the



USA diversified by buying Costa Coffee brand in 2019 (The Coca Cola Company).

INDIA, in September 1993, Coca-Cola bought the Thums Up brand for \$60 million (CNBC TV 18).



Leveraging social media, Coca-Cola knows how to take advantage of new technologies to reach more people with its brand.



USA, In December 2021, Coca-Cola presented its first challenge on TikTok, a platform with more than 884 million users (Entrepreneur.com).

INDIA, in 2018, Coca-Cola came back with the "Share A Coke" campaign or through its Facebook uploaded a video with influencer Padukone and a fan, in which the drink serves them as an icebreaker or its YouTube FanFest campaign with Indian youtuber collaboration.



Merchandising, Coca-Cola was the pioneer in having its brand on items other than Coca-Cola bottles, nowadays, the company has been moving away from merchandising and it is a big market that should not be lost.



Source by Nostalgic-Art

USA, in the 1987 to 1920s 10% of all its products were given away to create brand awareness, so it gave retailers posters, clocks, calendars or decorative products for themselves and their customers to give away (Cokesolution.com).

D. Threats.

Excessive water use. The Coca-Cola company has a tough battle with ecological, social and environmental companies, who have claimed that Coca-Cola uses large quantities of water for the production of its drinks and that this has affected regions with water shortages ().



INDIA, In this country they use 4 litres of water for every litre of Coca-Cola, of which 3 litres of water is polluted and returned untreated to fields, soils and groundwater. (The Guardian, 2017).

This is also reflected in the article “Coca-Cola charged with groundwater depletion and pollution in India”, which argues that Coca-Cola bottling plants in India are taking groundwater away from local villages (About.com, 2016).

“Drinking Coca-Cola is like drinking farmer’s blood in India,” said protest organiser Nandlal Master



Environmentally unfriendly brand: Coca-Cola faces a veto from more than 170 universities around the world banning the sale of its products because of poor environmental practices.(BBC)



USA: Universities such as Atlanta, California, have banned Coca-Cola from their campuses.

INDIA: carbonated soft drinks and pesticides are a typical case of health double standards, the big question is: *why can't products made in*

India be distributed to Europe or the US, but Coca-Cola drinks can be drunk by Indian citizens?

Unstable and uncertain economies. Coca-Cola, like other companies, has faced the global crisis of the Covid19 pandemic and now cost of living inflation, which has negatively affected its revenues.

- The US is the world's largest economy so its stability tends to be solid (BBC).
- INDIA, a study by US banking group Goldman Sachs predicts that the country will be the third largest economy in the world by 2025.

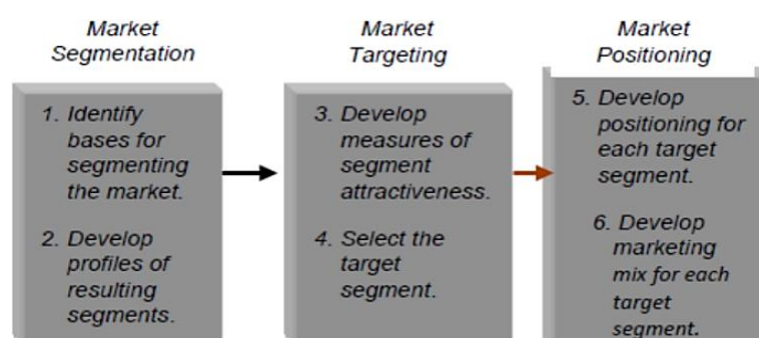
Health matters. Coca-Cola must overcome the barrier of a growing awareness of a healthy lifestyle, in which products with unhealthy ingredients are avoided or eliminated.

- In the USA, Coca-Cola funded a research project in 2021 to clarify that the company is not to blame for diabetes or obesity, but that it is a sum of bad habits such as sedentary lifestyles and poor diet. A study conducted by the National Center For Biotechnology Information.
- INDIA, the study which was published in 2018 by the Journal of Children and Environment, revealed that continuous exposure to advertisements such

as Coca-Cola's, make children create their preference from a very young age, thus 5 and 6 year old children recognised the Coca-Cola brand or associated it by its colour.(The New Indian Express, 2018)

6. MARKET SEGMENTATION.

Philip Kotler (2010) defines it as the division of the market into homogeneous subgroups of customers, where these can be considered as a target market to which a different marketing mix combination should be applied.



Source by P Philip Kotler and James Makens, 2012

A. Coca-Cola's Market Segmentation.

SEGMENTATION	CATEGORISATION	USA	INDIA
➤ Geographic	Rural Urbana	Created in the USA, but expanded to most geographical locations. In India they initially focused on urban areas, but realised that the majority of the population is rural, so they expanded their market to these areas.	
➤ Demographic,	Age	Children to adults (5-40+)	Children to adults (10-40+)
	Gender:	male and female, without distinction	

	Income:	All types of social classes	All social classes, but there are special formats for certain groups, such as: the 2L bottle of Coca-Cola, which is only allowed for middle and upper class families, and the individual cups and other Coca-Cola brands, for people with fewer resources.
	Religion	Suitable for all religious backgrounds.	
	Work occupation	Employees, unemployed, professionals and students	
➤ Behavioural	Loyalty	High brand loyalty.	Adapting to market prices
	Benefits	Refreshing, seeking quiet time, happiness or spending time with people	
➤ Psychographic	Social class	Workers, middle and senior	
	Lifestyle	Business people, sports people, students, retired people, etc.	
	Values	Trust, respect, sharing with others.	

The previous table was compiled by information based on data from The Coca Cola Company, International Journal of Advanced Research and Development focused on India, The Coca Cola Company India and Coca-Cola Segmentation, Targeting, and Positioning, Business Analysis by Edrawmind.

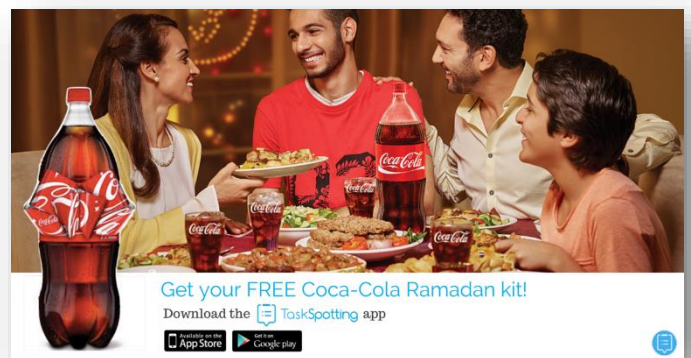
➤ **Geographic segmentation.**

USA: over 320 million consumers. Asia Pacific, of which India accounts for 16% of the Asia Pacific market. (The Coca- Cola Company, 2022)



➤ **Demographic segmentation.**

USA: Thanksgiving Day



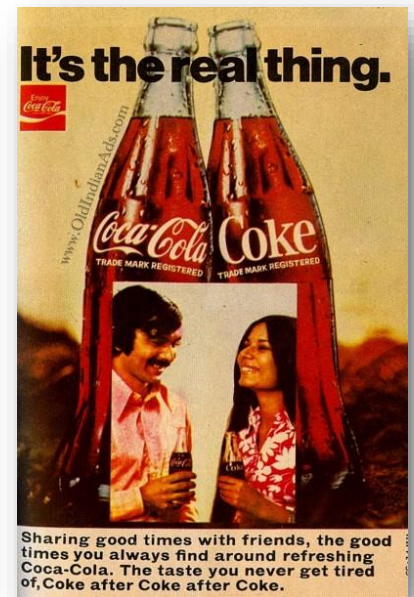
India: Ramadan season

➤ **Behavioural segmentation.**

USA



India



➤ Psychographic segmentation.



USA: Gold in Rio 2016
Olympic Games

McCann Worldgroup India, 2021



B. Coca-Cola's The Targeting Strategy.

The Coca-Cola brand in the USA and in India offers a wide range of products adapted to its customers, such as Coca-Cola Zero, which is marketed in both countries, In the USA it was launched in 2005 and in India in 2022. (New Delhi, 2022), for consumers who want to reduce sugar in their daily lives without depriving themselves of their favourite drink, or Sprite, which in both countries is focused on teenagers or university students.

You can see the difference in the number of products offered in each country, so in India the number of products is more limited than in the USA, but it is still very wide and for all ages and tastes. Also, they have drinks considered local like ThumsUp or products with names that are adapted to the country.



Coca-Cola Zero Sugar in India

The brand has also designed products for consumers who do not like carbonated drinks, where they can choose juices, teas or coffees. In India and the USA, tea drinks are sold under different names in each country.

USA (te)



INDIA (juice)



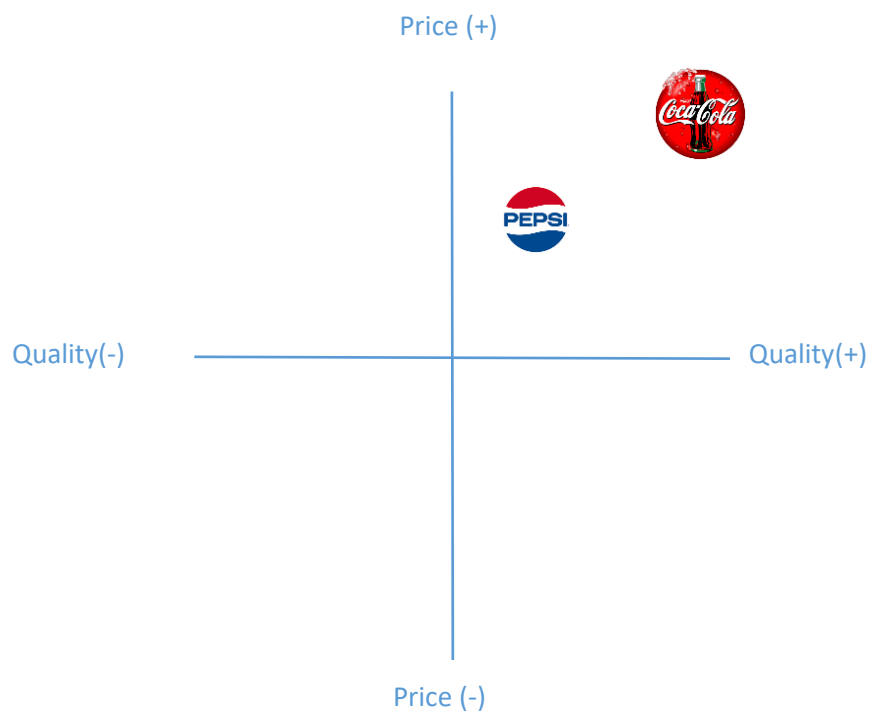
C. Coca-Cola's POSITIONING.

The Coca-Cola brand, both in India and in the USA, positions its beverages as refreshing, for a moment of calm and joy. Likewise, they are distinguished by their intense and unique taste that you can drink at any special moment in your life, share it with your loved ones or if you prefer alone in your day to day life. The company in both countries offers top quality products that are constantly being renewed to the tastes and preferences of consumers.

Consumers in both India and the USA have in their minds that Coca-Cola is a high quality product and that because of its wide product portfolio the brand can offer excellent taste to all its consumers with demanding needs.

Coca-Cola's positioning map

Coca-Cola does not establish its competitive advantage on low price, but on brand positioning and differentiation based on the perception of superior quality of its product. In the USA, Coca-Cola has a 44.9% market share, while its biggest rival, PepsiCo, has only 25.9% (Talkwalker, 2022). In India, Coca-Cola has grown by 20% this year (The Coca-Cola Company, 2022), while its biggest rival, PepsiCo, has grown by only 10% (Business Standard, 2022).



Finally, Coca-Cola's STP is one of the few companies with one of the broadest markets, targeting consumers of all ages, genders, incomes, ethnicities and lifestyles. Over the last decade, however, the brand has focused on secondary market segments such as Diet Coke in the US or Coca-Cola Zero in India. The new target market for this product is all young adults between 25 and 35 years of age who like to look and feel good,

restricting calorie intake without sacrificing the unique and refreshing taste of a Coca-Cola.

7. MARKETING MIX ELEMENTS.

Marketing, an objective tool that companies use to establish, communicate and carry out a strategy (Routledge, 2018). Companies create their marketing model focused on a long-term objective and focused to be sustainable, outperforming their competitors in the market (Andaleed, 2016).

Coca-Cola brand is one of the most successful companies in beverage production, prioritising its growth in the market and consequently increasing its profit margins and profitability.

Coca-Cola to design its marketing strategy focuses on the segmentation, targeting and positioning (STP) model, in this way it knows the needs of customers, builds customer loyalty and creates value through: product (segmentation), price, place (targeting), promotion (positioning), people, process and physical evidence.

1. Product.

Coca-Cola has a product portfolio of more than 131 leading brands produced around the world, its flagship product being Coca-Cola soft drink. Therefore, Coca-Cola applies three levels of product decision-making: individual product decisions, product line and product mix decisions.

Individual product decisions: the quality and unique taste of Coca-Cola products from their origin are adequate to maintain a high standard of differentiation from its competitors and to create an emotional bond with its consumers who are looking for the original taste of a Coca-Cola. At the same time, it has a strategy that focuses on the constant changes of its consumers, both in tastes and lifestyles, so there are products such as fruit juices, water, tea, among others, with the aim of satisfying as many customers as possible (The Coca-Cola Company 2022). Unfortunately, in the USA there is more

variety of products than in India, but still the company has a production line that covers all the needs of consumers in the country.

USA



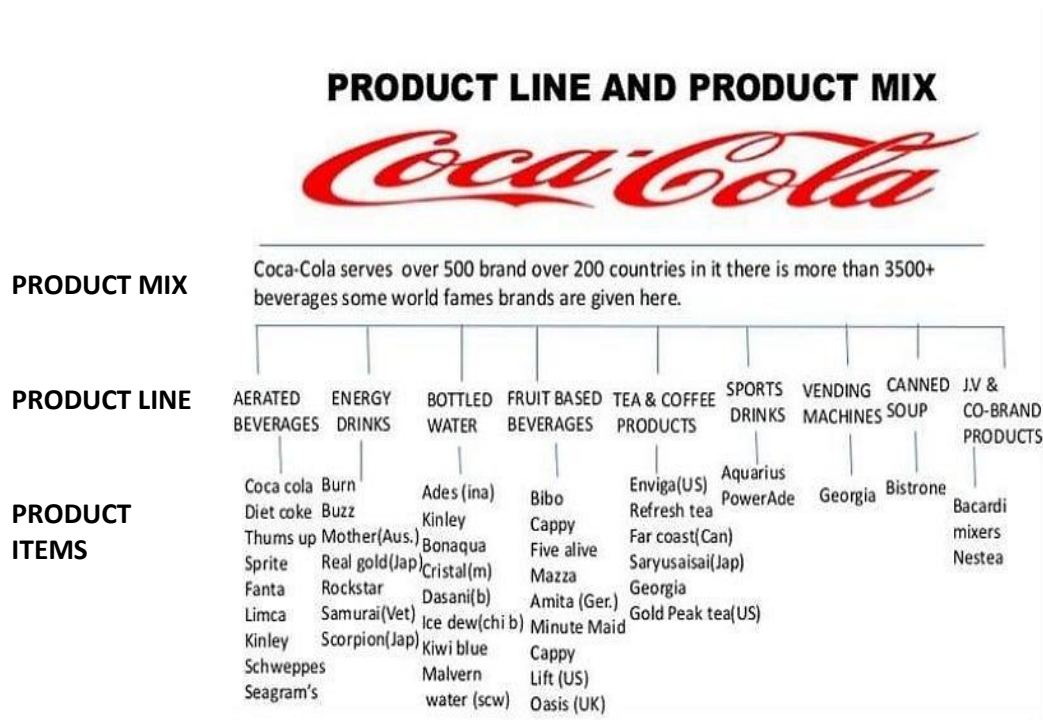
INDIA



Coca-Cola's branding is one of the best, easy to remember, spell and pronounce in different languages.

There are different materials and sizes of packaging and labelling on Coca-Cola products, using its packaging as a tool to attract more customers, such as QR codes with concert discounts or information on many events.

Product mix decisions, market segmentation and product lines have been the key to Coca-Cola's success in making its products last for years. Because of this, the brand can adapt to different types of customers and tailor pricing to provide customers with more product variety and greater engagement with the brand (Hassan, 2014). This strategy is adopted by both study countries.



Source by ResearchGate

2. Price.

Coca-Cola's strategy is value pricing, i.e. prices that are within the reach of the average consumer, but not so low that the customer associates it with a poor quality drink. Though there are also exceptions as the price varies according to the place of distribution. (GlobalProductPrice, 2022). In India, the prices of Coca-Cola products are very different from the prices of the same products in the USA, for instance, in a vending machine, in a restaurant, on a terrace or in the season of the year.



USA

0.5L bottle costs
USD 0.80

INDIA

0.5L bottle costs
INR 40,000
USD 0.502

3. Place.

Coca-Cola has a wide distribution network with direct and indirect channels, covering the needs of all customers. The brand maintains its value because it follows the fast-moving consumer goods (FMCG) model (Golder and Tellis, 1993). In the USA, the brand is found in all types of wholesalers, retailers, restaurants, movie theatres, etc. In India, Coca-Cola reaches even the remotest rural areas.

USA



INDIA



Source by Google

4. Promotion.

Coca-Cola focuses on creating needs for customers to consume its products. In this way, it increases demand and thus profits. In addition, the company has a whole composition of tools to promote itself such as public relations, advertising, direct marketing or sales promotion. Likewise, they run aggressive advertising campaigns on TV, radio, newspapers, magazines, social media, their official website, billboards, they are sponsors of big events, they use corporate social responsibility with social aid or environmental care, all this to create brand value through customers' feelings and they also pay celebrities to sponsor their products.

USA



INDIA



5. People.

The Coca-Cola Company is one of the largest employers that has a strategic human resource management focused on enabling its employees to grow within the company and find job satisfaction. In USA, Coca-Cola employs around 86,200 people (CNN, 2020), in India in January 2021, the India Inc. company, Coca-Cola, restructured its local and regional operations and had a change of heads in relevant positions such as in its franchising, strategy, marketing, human resources and finance (The Economic Times India, 2021).

The company has a human resource management that offers employee empowerment, as well as a system of recognition and rewards to increase employee satisfaction and retain them in their jobs.

6. Process.

Bottling partners and distributors are the key here. Coca-Cola produces and sells its concentrates and syrups to bottling partners, who in turn blend the concentrates as directed by the brand, and then sell them to retailers and wholesalers around the world. In India, Coca-Cola has had to adapt and/or create beverages to flavours that connect with the Indian people, as vice president of India operations Shehnaz Gill said *“Coca-Cola India's hyper-local strategy will be reflected in the marketing mix, packaging, advertising, social media activations and a variety of on-ground events across its portfolio”* (Drinks Insight, 2020)

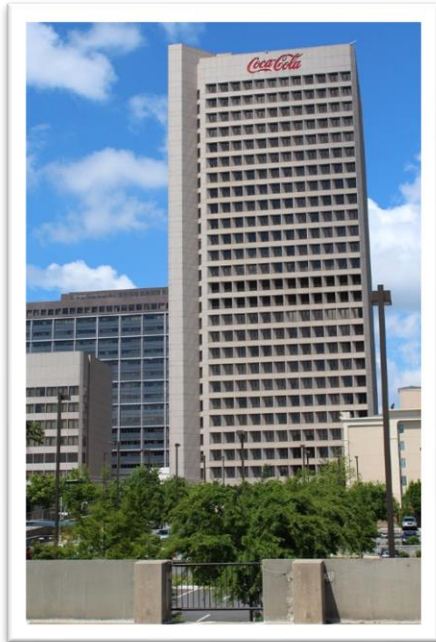


The Economic Time

7. Physical Evidence

Coca-Cola's infrastructure consists of both its buildings (headquarters and other regional and local offices) and its concentrate production facilities. The brand also has promotional material not only on its packaging, but also on its website or inside retail shops. The infrastructure in India is up to the company's standards, but it should be noted

that Coca-Cola still needs to invest more money to catch up with facilities in other countries such as the USA.



Headquarters Atlanta, Georgia, USA



Coca-Cola kick-starts new plant in UP
(Media India Group)

8. DIRECTIONAL DEVELOPMENT STRATEGY.

In 1962 it was introduced into the field of management theory by Alfred Chandler and Kenneth Andrews, who defined it as the joint determination of the company's objectives and the lines of action to achieve them. There is one aspect of Andrews' definition that is worth highlighting, and that is the author's explicit declaration of his concept of the importance for companies of other values that are not necessarily economic, such as, for example, human solidarity, love of nature, honesty and other values that enhance people and should therefore be taken into account when analysing human behaviour in the organisation and H. Igor Ansoff, in 1976, defined strategy as the dialectic between the company and its environment. This author considers that planning and strategic management are different concepts, and argues for the superiority of the latter.

9. COCA-COLA'S ANSOFF MATRIX.

In its early days, the Coca-Cola company was known as “*Coca Pemberton Wine*” which only sold single-serve cups and was geographically located in Atlanta in the United States. This unique product was renamed “*Coca-Cola*” and over time through the Market Penetration strategy, the brand was able to establish itself in US households. Later, the company began its journey into the international market, for this they developed a market Segmentation Strategy, focusing its targets on certain geographic territories, Cuba was the first country chosen for its launch in 1899 (CNN, 2014).

Coca-Cola focused on the expansion in foreign markets, had to Develop a Market Strategy to be able to enter these markets, the brand found an excellent solution that was to diversify the line of its products, then in this way the different Coca-Cola products such as Diet Coke, Fanta, Sprite, among many others, were born, being now basic products of the brand, this is what is called Product Development Strategy.

At the beginning, Coca-Cola only operated in the market of carbonated beverages, but has managed to penetrate even further into the market by extending this concept to “packaged liquid refreshments” and has thus stopped marketing only carbonated beverages or having a broad portfolio of products from mineral water, fruit juices, teas or coffees, reaching nowadays the market of alcoholic beverages, successfully employing the Strategy of Diversification.

COCA-COLA'S ANSOFF MATRIX

		MARKET	
		Existing	New
PRODUCT	Existing	Market Penetration Strategies 	Product Development Strategies 
	New	Market Development Strategies 	Diversification Strategies Related Diversification  Unrelated Diversification 

Source by author

10. CONCLUSION AND RECOMMENDATIONS

The Coca-Cola company, originally from the USA, is currently the world leader in the carbonated and non-carbonated beverage market, has a global presence operating in almost 200 countries with more than 230 brands, 70% of the company's composition and 80% of its profit volume comes from abroad.

The company's national and international marketing strategies are affected by unpredictable elements, so the marketing department has to make an extreme and general analysis of all elements in order to find a perfect balance between adaptation and standardisation of Coca-Cola products.

The company's flagship brands are both standardised and adapted to the areas where they are marketed. Coca-Cola can standardise its products without problem as it is an economy of scale, somewhat following the approach of Vrontis (2013) "*Adapt Stand.*" The company's profitability lies in its market share and its solid competitive capacity with the variety of products it has such as Fanta, Sprite or Diet Coke.

Coca-Cola has a balance between efficiency and effectiveness. It differentiates its products, creating brand equity so that consumers see it as unique, through genuine marketing campaigns designed to make Coca-Cola products of unique and exceptional quality in the customer's mind.

Coca-Cola's portfolio is tailored to meet market demand in any country, increasing the likelihood of purchasing its products, it is a portfolio that manages its weaknesses and strengths well and takes advantage of the opportunities in the environment in which it operates.

Because of Coca-Cola's strong competitive position in a very attractive market, it is proposed that the brand should continue to maintain that position and protect it from its biggest rival, PepsiCo. It must also continue to study and survey the market and the

areas in which it markets its products to ensure that its marketing campaigns remain as successful as they have been so far.

Finally, Coca-Cola has a great opportunity in the food market, being able to offer them together with its drinks in cinemas, supermarkets, petrol stations, etc. It can also continue researching to improve the water management system, avoiding the harsh criticism it has on this issue, especially in countries such as India.

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