

There doubt, coca-
cola is the renowned
soft

Business



There are number of business organization that is working in foreign countries and it is important for them to understand the cultures of that nation in which they want to work.

If any business wants to get good and fruitful results from its foreign operations, then it is necessary for them to be aware of the cultural values of that nation and they must also meet the expectations of the people regarding their society. A worldwide marketer has to identify the cultural impact on the general public and this can be done by studying details of cross-culture with the help of some theories and models that provides knowledge regarding social impacts, customer needs etc. No doubt, Coca-Cola is the renowned soft drink company but still it has to face certain challenges in terms of socio-cultural. However, it was the first international refreshment drink company to enter in India but due to Foreign Exchange Act it has faced certain issues and instead of these they have also faced some issues in regard to its quality, market manipulation and also water exploitation etc. These issues are explained below-

In Northern Province of Uttar Pradesh (INDIA) the bottling factory of Coca-Cola was using groundwater more than their limits and it was having a serious impact of environment as well.

Certain protests were occurred against this which was mostly done by the farmers of that state. Most of the difficulty was faced by the farmers because they were facing a scarcity of water for agriculture use. India is a country where there is a special place and respect for the farmers as they are the only who provides food to everyone. So, with their strong protests, the operations of that factory was stopped (Coca-Cola forced to close India bottling factory over excessive water use, pollution, 2014).

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Another, samekind of problem was also took place in Kerala and a case study on that was made. As per the sources, Coca-Cola Company built up its plant in Plachimada, in thePalakkad area of Kerala (Southern India) in 1999. It was reported that nearly510, 000 liters of water was drew by Coca-Cola daily from the open wells. Therewas lot of wastage of water due to which people made complaints that theirnatural resource “ water” is getting contaminated and that was also destroyingtheir life. In addition to this, women’s from Vijayanagaram Colony, a town ofPlachimada argued that the water in the wells is going down and there is anissue of scarcity of water over there. Due to this, ladies were required towalk nearly five kilometers two times a day to get water for survival (Case against Coca-Cola Kerala State: India). The center ofScience and Environment, NGO of Delhi also released a report which revealedpresence of pesticides in the drinks under the brand name of Coca-Cola Companyand PepsiCo.

However, whenthe conference of companies in Atlanta was held, John Murphy, president of AsiaPacific Group of Coca-Cola described that India is “ a different story” andafter being a leading company Coca-Cola has still not able to crack the sectionof India Market beside of having some other brands as well for example Maaza, Sprite and Thumps Up. “ We have tried so many times in my time in the Coca-Colasystem to crack the code there and we haven’t done it. We have got a team ofpretty smart people who want to have the legacy to be the first to do so,” John said. (Coca-Cola is yet to crack the code in Indian market: John Murphy, 2017). Furthermore, the company also faced issues of competition. In India, traditions and valuesare very important as compared to modernization. In India various kinds oftraditional

drinks are available which is very popular and the general public likes to drink that too.

Such as lemon water, tea, coffee, green coconut water, lassie and fresh fruit juices etc. These drinks do not include any kind of pesticides, preservatives, colored flavors etc. That is why these are preferred by them more and even some drinks are taken by them on regularly such as tea.