

# Swot analysis of coca cola

Business



**ASSIGN  
BUSTER**

We know Coca Cola by their signature logo, taste, and classic glass bottles. These are strengths they've used to their advantage. But what about their weaknesses, opportunities, and threats?

Coca Cola is a mogul, but falling behind serious trends. After conducting a PESTLE analysis on the soft drink company, here is a look at a comprehensive SWOT analysis of Coca Cola.

### Strengths

Coca Cola has an incredible brand identity. It's a home name by millions around the world. You'll come across at least one of their product in over 200 countries.

Because of their known name, they have strong customer loyalty. The particular taste of Coca Cola makes it easy to identify and hard to find a substitute for their customers.

Coca Cola has a nearly \$80 billion company evaluation. Sales saw an increase when they launched their campaign of putting customer names on their bottles. Prompting consumers to buy the product, take photos next to the bottles, and post the photos onto social media sites.

### Weaknesses

Coca Cola's major competitor is Pepsi. But unlike Pepsi, which has branched away from the Soda-only model of revenue, Coca Cola has yet to develop a food or snack. This puts them behind Pepsi in terms of competition since Pepsi has Lays chips and other foods under their belt.

People have become concerned with obesity and diabetes. Carbonated drinks are a big influencer of these health complications. Coca Cola, as a major carbonated drink manufacturer, can contribute to the obesity epidemic. They haven't addressed or found a healthier solution yet.

### Opportunities

Coca Cola can create new products and diversifies their current offerings. They have the brand identify, customers, manufacturing, and evaluation to back this up. It's possible to find niches untouched by Pepsi to develop products, especially in the health food spaces. This way they branch out from soft drinks.

Coca Cola is in hundreds of countries. They could focus on moving into developing countries with humid temperatures. These countries will enjoy the treat of Coca Cola in a way developed countries, already accustomed to the choice, may not.

### Threats

Coca Cola was suspected of using pesticides in their water. But water is also becoming limited because of climate change. Considering Coca Cola needs plenty of water to create their soft drink empire, should water become scarce, they would be in trouble.

This is why creating new products is important. Pepsi would also be affected if water became difficult to come by, but they still have other markets to use and develop. Coca Cola does not.

Additionally, the trends and development of cafes can threaten Coca Cola's livelihood. Smoothies, healthy tonics, and teas are taking over. People are looking for healthy alternatives to less sugar. With these shops, especially Starbucks, it could dampen Coca Cola's sales if they don't act quickly.

## Conclusion

Coca Cola spent time, money, and marketing to become the giant it is in the soda industry. But they're missing out on spreading into other food related avenues, allowing Pepsi to occupy these other markets with ease.

They're well known and can use their iconic brand to spread into developing countries who will appreciate the products, especially on hot and humid days.

Image "Coca-Cola" by Leo Hidalgo is licensed under CC BY 2.0