

The analysis of the coca-cola company

[Business](#), [Company](#)



Swot Analysis

The Coca-Cola Company is a global giant with its operations in more than 200 countries and is valued at more than \$80billion. The company's major strengths include brand equity, billion-dollar brands, global presence, efficient distribution system, market share, diversified product portfolio, goodwill, customer loyalty and economies of scale. Absence in healthy products, water regulations and management, financial position and availability of substitute products are some of the company's weaknesses. The market offers a number of opportunities such as increased demand of soft-drink consumption, product diversification, changing socio-cultural trends and mergers and acquisitions. Stiff competition, environmental concerns, boost in healthy living standards and water availability and consumption are some of the threats.

Strengths

- Brand Equity
- Billion-dollar brands
- Global presence
- Efficient distribution system
- Market share
- Diversified Product portfolio
- Goodwill and customer loyalty
- Economies of scale Weaknesses
- Absence in healthy products
- Water regulations and management

- Financial position
- Availability of substitute products Opportunities
- Increased demand of soft-drink consumption
- Product Diversification
- Changing socio-cultural trends
- Mergers and Acquisitions

Threats

- Intense competition
- Environmental concerns
- Boost of healthy living
- Water availability and consumption

Strengths of The Coca-Cola Company

Coca-Cola enjoys a large customer base and a high brand equity with the wide acceptability of the brand. Valued at more than \$80 billion, the company enjoys excellent goodwill, customer loyalty and brand name. Coca Cola enjoys strong and long-lasting relations with its suppliers – owing to its strong brand image. Coca-Cola has over 500 brands under its product portfolio including 21 billion-dollar brands. The company has an established efficient distribution and bottling system. The company has various bottling plants across the globe and enjoys a comprehensive sales and distribution system. The company enjoys huge economies of scale, which allows it a diverse market share.

Weaknesses of The Coca-Cola Company

With an increase in healthy and nutritious living, consumers are now switching towards healthy products. Unlike Pepsi or any other competitors, Coca-Cola has not diversified into healthy products. Most of Coca-Cola's products are based on water, different water management regulations may hurt the business. According to the statistics, the operating costs of Coca-Cola have been at an all-time high. Which means, the profits and the revenues may take a hit because of increased operating cost. There are many substitute products available for Coke, which also poses a weakness since it does not point out the competitive advantage and sustainability.

Opportunities of The Coca-Cola Company

Contrary to belief, the socio-cultural trends of the society suggest that the demand of Coke has been increasing thereby, increasing the consumption of Coke. Diversifying the products into healthy beverages arena could act as an opportunity for the company. Product Diversification is important for any company to grow, even though the company has over 500 brands under its umbrella, the company can benefit from getting involved in eatables and healthy beverages. Mergers and acquisitions can also be advantageous for the company since acquiring competitors will help the market opportunity.

Threats of The Coca-Cola Company

There is intense competition in the market when it comes to the soft-drink industry – this competition may act as a threat for the Coca-Cola Company. Many consumers are leaving the habit of drinking soda and pop due to environment concerns – the plastic bottles are not environment friendly and

many responsible consumers are understanding this concept. More and more people are now turning towards healthy lifestyles which may affect the sales of the company.

Citations:

1. Coca-Cola Icecek A. S. SWOT Analysis. (2018). Coca-Cola Icecek A. S. SWOT Analysis, 1-8. Retrieved from <https://login.gbcprx01.georgebrown.ca/login?url=https://search.ebscohost.com/login.aspx?direct=true&db=bth&AN=131380024&site=bsi-live&scope=site>
2. The Coca-Cola Co SWOT Analysis. (2018). Coca-Cola Company SWOT Analysis, 1-8. Retrieved from <https://login.gbcprx01.georgebrown.ca/login?url=https://search.ebscohost.com/login.aspx?direct=true&db=bth&AN=131227419&site=bsi-live&scope=site>