

Coca-cola company essay

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



Coca-Cola Company is a multinational company which is well known for production of soft drinks in the world. It has a variety of carbonated drinks and different brands of soda such as Fanta, Krest, Sprite and Coca cola which come in different flavors and sizes. The company is found virtually in almost all the countries in the world and has a large market for its products. (Murden 2).

a) Description and History of the company

(i) Size and scope of the company

The Coca-Cola Company owns four of the world's top five non-alcoholic sparkling beverage brands in the world market; it has about 90, 500 associates in the whole world and operates in more than two hundred countries. The company serves an estimate of 1. 5 billion people (consumers) a day and has more than 2, 800 products of beverage variety.

ii) History

The company originated as a soda fountain beverage selling for five cents a glass in 1886. A store owner in Vicksburg Mississippi was impressed by the new fountain beverage called coca cola and he began bottling it to sell using a glass bottle referred to as Hutchinson. In 1899, young attorneys from Tennessee met with the company's owner Griggs Candler and obtained exclusive rights to bottle the beverage across the United States for a total sum of one dollar, they were later joined by a third lawyer. The three divided the country into three territories between 1900 and 1909 and sold bottling rights to local entrepreneurs, the progress of bottling technology boosted their efforts therefore improving efficiency and product quality and by 1910,

almost 400 bottling plants were in operation by family-owned businesses where some opened only during the summer when demand for beverages was high. (Tung 2).

However, a new bottle was approved in 1915 and introduced in 1916 after the bottlers worried that the straight-sided bottle for Coca-Cola could be easily mistaken for the imitations which were beginning to hit the market. The new design ‘contour bottle’ was designed by Root Glass Company in Indiana and the unique shape remains even today. More than 1,000 Coca-Cola bottlers in U.S. were in operation by the 1920s and eventually bottle sales exceeded the fountain sales by the end of the 1920s. In the 1920s and 1930s, the Coca-Cola Company began a major plan to establish the bottling operations outside the United States and plants were opened in 44 countries among the Guatemala, Mexico, Spain, Australia and South Africa by the time of the World War II emergence.

64 plants were set during the war to tend troops which were involved in the fights and in the 1950s, consumers had a choice of Coca-Cola packages, type and size due to the introduction of the same; cans were also introduced in 1960. New brands were introduced as from the 1960s and as technology brought global economy, retailers who sold the beverage merged and developed into international mega chains and small and medium-sized bottlers consolidated so as to be able to serve the customers in a better way.

In the 1990s, political and economic changes led to vast market openings and the company invested heavily in building plants in Eastern Europe after the fall of the Berlin Wall and at the close of the century, more than 1.5 billion dollars was used to start new bottling companies in the African continent. In

the 21st century, the company grew up with deep roots in communities and strong local based relationships between bottlers, communities and customers are the foundation for the business growth. The business has since grown tremendously and more plans are being made to expand the market even further. (Tung 2).

b. Industry and Markets of the company.

(i) Industry in which the company operates

The beverage industry in which coca cola operates has a fear of Coca Cola Company because they take it as a vehicle for capitalist dominance. This is referred to as a meta-status and coca cola is one of the three or four commodities in the world markets which have reached this status. The term itself, 'coca cola' comes to stand not only for a specific soft drink, but for problematic nature of commodities in general. Coca cola operates through a powerful emotive and expressive foundation making it very hard for other companies to claim its status; it is not a material culture but a symbol that stands to be debated on in terms of materiality of culture which it portrays. (Buchli 247).

Coca-Cola Company has innovations in distribution, marketing, quality control, adaptability to change and development of human resources which have made a significant effort in solving environmental problems, it has helped in reducing solid waste and its packaging is recyclable. (Fisher 220-228).

The company is involved in many projects in the communities and carries out its corporate social responsibility well so as to fit well in the industry and

the larger community. It operates locally, employs people and reflects people's lifestyles and tastes. It makes genuine connection with its consumers and creates an environment where it's impossible to escape it.

ii) Key markets of the company

Coca Cola Company brands are known all over the world and have several key markets. These markets are found in China, Japan, Russia, Africa, East, South Asia, Pacific Rim, Europe and Latin America.

C. Chief Competitors and Positioning of the Company in the Market

(i) Description of key competitors

There are a number of competitors of Coca Cola beverage in the world's one is Cadbury Schweppes PLC which produces soft drinks such as 7up, Canada Dry, Schweppes soda and most juices. National Beverage Corp which produces Faygo, Shanta, Bigshot and spring water and juice based drinks. (Padberg, Sporleder & Davis 109).

Another key competitor is Cott Corp which produces private label brands like Sam's American Choice in U.S and Great Value in Canada. The other is Jones Soda Company which makes and distributes new or alternative beverages like Jones Soda, Premium Soda (Jones Naturals a non-carbonated juice and tea drink) and Jones Energy. Other competitors are Pepsi beverages, soft soda in Kenya, leading brands include: and Hansen Natural Corp which engages in selling and marketing alternative beverages, fruit juices and Natural Sodas, Groupe Danone World Water Division, Nestlé Waters, ITOEN, LTD, Red Bull GmbH, Cott Corporation, Britvic Plc, Constellation Brands International and Ocean Spray Cranberries.

ii) Position of the company

The Coca Cola Company is the largest beverage company in the world, it is the largest manufacturer, marketer and distributor of non-alcoholic beverage syrups and concentrates in the world and is the one of the United States largest Corporations. It is best known for its coca cola product and currently offers nearly 400 brands in over 200 countries in the entire world. (Fisher, 220-228).

The coca cola company has a franchised distribution system which can be dated back to 1889 where TCCC produced syrups concentrates only and sold to several bottlers who have exclusive territories throughout the world. The company sells its beverage products in more than 312 countries and gets approximately 4.5 billion beverage sale daily out of the 90 billion beverage servings of all types in the world. It had gallon sales of 37% in United States, 43% in Mexico, Brazil, Japan and China and 20% in the rest of the world in 2007.

(iii) External influence on the industry and markets.

External business environment has general powerful forces that affect the entire industry, market and the economy at large.

Market analysis process by a company help to investigate the internal and external environments and their influence on the industry and market are used as decisive traits in relation to success and survival of a company such as coca cola. However, Coca cola itself has great influence on the environment and the beverage markets in the world. One of the influences it has on the market is competition; the company has a big influence on

competitive factors in the beverage industry since it holds a competitive edge, due to this, other companies try to compete with it. This results to better quality products from the industry since companies will try to improve their quality to match up with Coca cola and therefore improve the quality of the industry and good competition in the markets. (Sergio, 24).

Coca-Cola maintains a local approach in its operations; it carries out several corporate social responsibilities and as a result improves the industry and the local society at large. Coca cola is also concern about safety of its employees, the environment and the entire society and due to this, other companies in the industry tend to follow suit and end up improving the community as well as the entire industry.

Coca-Cola influences consumer buying behavior; this is due to their advertisements which make consumers prefer Coca-Cola products more than other beverages and as a result the market is usually biased since they have an upper hand on the market.

Poor people in the third world countries are negatively affected by Coca-Cola brands; this is because they have neglected staple foods in preference for soft drinks such as coca cola. Cases of malnutrition of children in Zambia have been reported due to feeding of children with coke and fanta. Mothers in this country believe that the beverages are good for their children, thus led the Zambian government to ban fanta advertisements due to the negative influence on the poor people in their country. (Sergio, 24).

In conclusion, the coca cola company is one of the largest multinational companies in the world and produces and distributes all the coca cola

beverage products in the world. Its branches are in many countries and employ a lot of people throughout the world. The company holds a large number of the soft drinks market in the world and is most trusted by people especially in the third world countries. The company has continued to grow significantly since its emergence in the 1980's and it has brought many importance and significant improvement of the economy of the whole world. Read also about Ene Ticker

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