

Coca cola history and development commerce essay



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History of and development : Coca cola was started in 1800s by John Pemberton. Coca cola recipe developed at the Eagle drugs and chemicals company, a pharmacy in Columbus, Georgia. Originally it's called Pemberton's French coca wine. He may have been Mariani wine with great success, European coca wine inspiration.

1886, in Atlanta, Fulton County, by prohibiting legislation, Pemberton responded coca-cola developed, is essentially a non-alcoholic version of French wine coca-cola.

The first sales were at Jacob's pharmacy in Atlanta on May 8, 1886. They sold it in Atlanta for five cents a glass. And they didn't mix with water, the test was very strong. It was called Pemberton's French wine coca, and it was sold as a medicine to help the people from cold and some people was using it as energy Drink. In United States it used to Sold at soda fountains. The starting year of the company sales was so low, around nine drink per day so Dr. Pemberton think that he didn't make a lot of money with the drink. So he sold his business to Asa g. Candler. To just before he died in 1888.

After six year on 12 March 1894 coca cola was 1st sold in bottles in Atlanta with actual cocaine content. And after 61 years later in 1955 it sold in cans.

The Coca-Cola Company is the production of concentrated syrup, and then sold to different bottling plants around the world held by Coca-Cola franchise. Coca-Cola bottler, the territory of an exclusive contract with the company, produce finished cans and bottles of concentrated filtered water and sweeteners combined. Then bottling sell, distribute and merchandise

Coca-Cola products retail stores, vending machines, restaurants and food service distributors.

(Bodden 2008)

Important development include the period from

1980-1990, such as diet coke, cherry coke, diet cherry coke.

2000- 2005, coke with lemon, vanilla coke diet coke with lemon.

(Coca cola – 2012)

Key milestones

2002(In India) – golden peacock award for global excellence in corporate

Governance, by the world council for corporate

2005 – China’s best corporate citizen conduct award, 21st century business

Herald

2006 – International Supplier of the Year, Wal-Mart

2010 – Coca cola was number one global brand in world

(FMCG – 2011)

10 year financials in column chart from with short analysis

Coca cola profit, revenues, 2000-2010

Since year 2000 company is performing in comfortable raising zone of its journey. Year by year increasing in profit and in revenue is been measured as per the above listed graph. In 2009 because of market decline (resection) company gone through a loss but by 2010 it shows a positive comeback again towards the profit.

(Coca cola annual report 2000-2010)

Overview of industry, markets, products, service;

Coca cola is world largest company for manufacturer, marketer and distributor of non alcoholic drinks in world. Coca Cola Company produces coca cola music, snacks and more than 3500 non-alcoholic beverages, from regular sparkling and diet drinks such as juices, waters, energy waters, Coffee-tea, milk and Etc. Based drinks. Like diet coke, sprite, Fanta, Thumps up, limca, emerald mounted and etc.

For marketing, Coca Cola Company is using Advertising, Coca-Cola advertising as its main source of consumer awareness. It is mainly the use of TV. Coca-Cola products have a lot of TV add. The source of the company's products to reach a large audience. Latest TV advertising for Coca-Cola soft drinks was " YOU KNOW, YOU WANT IT". The company also uses another source of radio advertising. This is an inexpensive method compared, TV.

Advertising costs in the past three years have shown \$ 11 million.

Coca cola companies operating income 2009 increased 4 percent in the quarter, and after that decreased 3 percent at the end of year.

In 2011 Coca cola unit case volume is increased 5% in word wide Coca cola had 42% distributed in United States, 37% in Mexico, Brazil, India, and Japan. And 20 % distributed in rest of the world.

Coca cola have 60. 9% market share in India.

Coca-Cola uses intensive distribution strategy. The company's products are sold almost all exports include: retail outlets · Shops · Restaurants · Gas Station · sale kiosks · school, sports and entertainment venue · from a vending machine

Coca Cola Company is using “ C to C” method for service, c to c means company to customer. In US and Canada coca cola using hotline service. Customer can direct call to the company.

(Coca cola 2006-2012)

Major issue that affected the coca cola company in past 3 years.

In 2009 China national cereals, oils and foodstuffs corporation {COFCO} and Coca Cola Company make new joint venture.

Coca cola Company started new bottling plant in northwest china. And it was joint venture with COFCO. For this plant coca cola invest 30. 9 US dollar.

Coca Cola 5000 opportunities for job. Because the plan now days coca cola have 3rd largest market in china.

In June 2010 Simon group and coca cola company improve their marketing alliance.

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In America Simon group is the number 1 real estate group and Coca Cola Company was venture with that group. And with Simon group the coca cola company can extend their marketing in mall. And that's coca cola have very easy to interact with the consumers like youngster...

In august 2010 coca cola company bottler settles discrimination case

In august 2008, Coca-Cola Bottling Company MERGED in Charlotte, Atlanta-based Coca-Cola Company is separate from the money to pay wage arrears, plus interest, to 95 black and Hispanic job seekers apply for sales positions in 2002, according to the U. S. Department of Labour.

(Coca cola 2006-2012)

How has the organization's culture, values, history and development influenced leadership, management, and OB?

Core values: in Coca-Cola company culture, leadership, passion, integrity, cooperation, diversity, quality and accountability system, is defined by.

Coca-Cola's central commitment acts as the mind, body, spirit and inspire optimism to refresh the world to create value and make a difference.

2 assets to give them a chance to make this commitment-their people and brand.

As a global company, the Coca-Cola Company's has an ability to understand, accept and work in a multicultural world – both in the market and in the workplace – our sustainable development is crucial. They work hard to ensure inclusive and equitable work environment for their associates, all diversity training on a regular basis. We found that, the ongoing dialogue clues to a better understanding of their colleagues, their suppliers, their customers, their stakeholders, and ultimately greater success on the market.

(Coca cola 2006-2011)

The coca-cola development =

The key to the development of quality incentive and reward system to understand the needs of the coca cola employees, Coca-Cola HBC Hrvatska, they will conduct regular quantitative and qualitative research on employee satisfaction. Based on the findings, develop an action plan to further improve their motivation and reward system. They further adjust the current system of economic trends, industry branch of their company's strategic plan, our department goals and personal goals.

(Coca-Cola HBC Hrvatska d. o. o - 2012)

Company leadership, management, and OB analysis

Muhtar Kent is the CEO and President of the coca cola company. He has spent his entire career with Coca Cola Company. He was born in new York 1952, and he was completed his high school from Mersin, turkey in 1971 after that he went to the university of hull, in united kingdom for Master of Business Administration (MBA).

In 1987, Mr. Muhtar Kent joined the coca-cola company at Atlanta, as marketing and operations leadership positions.

In 1995 and 1998, Mr. Kent becomes Managing Director, in Coca-Cola Amatil Europe and he was handled bottling operations in 12 nation and regions.

Mr. Kent, in 2005, president and chief operating officer of the Coca-Cola Company, the Company's North Asia, Eurasia and Middle East Group, the organization provides a broad and diverse region, including China, Japan and Russia.

Less than a year later, in 2006, Mr. Kent served as president of Coca-Cola International, until he was appointed president and chief operating officer of The Coca-Cola Company, is responsible for overseeing all business operations.

In July 2008, Mr. Muhtar Kent became CEO and President.

(Thomas White International ltd, 2012)

Type =

Muhtar Kent is primary Transformational leadership type, with a strong visionary leadership. When he was become CEO in 2008 he set his vision to establish a long-term economic growth even in his plan in us market revenue goal of doubling by 2020.

(Yuki 2010)

Values and attitudes =

Muhtar Kent can increase the value of their employees, build trust in the workplace. Trust employees are more likely to emulate the actions of a leader, because they see the value-added of action.

This trust has penetrated to the continued growth of the Coca-Cola Company on a global scale.

(Gupte 2003-2008)

Personality =

Muhtar Kent personality is similar to his style, personality of Mr. Kent was based on building a trust with their employs and creating an trust worthy staff which helps him in running coco cola to its heights.

(Gupte 2003-2008)

Style and behavioural characteristics =

His style is Dynamic leadership and characteristics = he is Being low-key and loving what he does.

A Dynamic leader able to add value to their employees, to build trust in the workplace. Trust employees are more likely to emulate the actions of a leader, because they see the value-added of action.

Muhtar Kent, a leader always maintains relationship of trust of his employees and customers is a good example. This trust has penetrated to the continued growth of the Coca-Cola Company on a global scale. No matter the size, dynamic leaders can change the value of their company

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(Yuki 2010)

Key skill =

Muhtar Kent main key skill is his experience and his innovative ideas.

For example, Muhtar Kent has more than 26 year experience in Coca Cola Company and he know very well that how to increasing profit and revenue,

And about his innovative ideas Muhtar Kent's helping organization with his incorporate innovative ideas to expand their business, is unmatched worldwide income.

(Gupte 2003-2008)

Practices =

Muhtar Kent always motivates his organization employer to think good and think for company future. And he said that always try to keep true to yourself and do the right thing. And fell proud on what you did. Muhtar Kent meets his management team daily and discuss about the current issues and all reports for organization. He travels around the world for meets with manager in major countries.

(Gupte 2003-2008)

Evaluate how leadership skill have developed over his career

=

Muhtar Kent leadership skill are truly gift from his parents. From the childhood he always observes his father Mr. Necdet Kent keenly and he learns lots of practices from him. Muhtar Kent says that he learned his

management skills when he was doing his Master of Business Administration (MBA) from Cass business school London.

(Cable news network 2012)

major reasons for success =

Kent describes the success of the Coca-Cola Company's micro-distribution scheme; this is the beginning, because of its delivery trucks cannot reach rural communities. The company created a micro-distribution centre (MDC) to drink their own businesses in the local alternative means. According to Mr. Kent, they are the "Golden Age", "these entrepreneurs to become leaders in their communities, they are an additional 8, 000 people in Africa," he said.

Coca-Cola oath entrepreneurs in the new Micro Distribution Centre (MDC) last year, 50% are women, "we have been in seven African countries that goal.

(Coca cola 2010)

Identify major/potential weaknesses that could lead to failure =

Muhtar Kent always takes risk for investing. Once he take decision he never thing about risk. Recently Mr. Kent declares that he will invest 500 million U. S. dollars from now to 2020, a variety of activities, including the establishment of a new bottling plant in India. And that investment has big risk.

2. Describe and analyze the organization and management using the following attributes.

Vision =

The company goal as a roadmap and guide their business every aspect of the framework describes the tasks they need to complete in order to continue to achieve stable, quality growth

Mission =

Company's roadmap starts with their mission, which is enduring. Declare our purpose as a company and is based on the standard as they measure their actions and decisions.

Value =

Company's values as a compass for their actions and describe how they react in world.

Leadership: shaping a better future for courage

Collaboration: the use of collective genius

Integrity: is true

Accountability: if this is for me

Committed in the passion of the heart and mind

Diversity: As inclusive, because our brand

Quality: We do, we do WEL

(Coca cola mission statement-2012)

Goal =

A global goal set by the company is safe to return to nature and society a certain amount of water equivalent to what the use for in its production in 2020. (The Climate Group-2012)

Competitive strategy =

PepsiCo is one of the most powerful opponents of the Coca-Cola Company, one of the products of the same series at the same price. This threat is important, because it cannot be eliminated to produce better quality products at lower prices but The Coca-Cola Company, the success of the strategy and management skills explained; it is everywhere, sporting events, advertising, movies, billboards, and many other media. Coca-Cola has been out a lot of different types and flavours, to compete with their competitors.

(zeshan ali - 2012)

Structure =

coke. png

The Company has a personal international division of labour, because of its international staff in the headquarters of the isolated operation. Different departments throughout the continents of the world, all the president control every continent split.

Style =

Successful management team has to motivate employees Management style, they have taken to meet their target is based. There are three main management; autocratic, democratic and Laissez-faire style

System =

Coca-Cola business unique model. The development of high-quality brand Coca-Cola Company and their bottling partners, production and distribution. The system has been able to provide unparalleled drinks and more than a century, around the world the results.

3. Other issues

1. Describe the organization strategy. Describe how they manage cross cultural issues.

Around the world, Coca-Cola is consumed. Its product strength has already begun to over-saturate the world market and to break the foreign markets, competitiveness rough established foreign brands. The Coca-Cola's business strategy was formulated 115 years before. The strategy is very simple, the familiar red and white flag firmly imprinted in the hearts of the people all around the world. There has been a very successful strategy for coke's sales for more than 200 countries worldwide.

Coca-cola has done very well in its international strategy. This is a world renowned brand and consumed almost everywhere. They conduct medical campaign yearly twice to help the people in the society.

An example of coca cola international strategy is, Coca-Cola Company has been working with the African local people, which is a great business strategy. Because it acts as the desire and enthusiasm for the people, and its products are very successful. Coca-Cola has done advertising with great African footballers. This great advertising strategy, Coca-Cola became a lasting symbol of Africa's top brand. They also prevent competitors of Coca-Cola, to get any market share in South Africa.

(International business blog 2010)

2. Describe how power is used in the organization and how it is shared; describe the internal politics. How are conflicts resolved?

Atlanta, the head quarter of coca cola is centralised by high power. The coca cola company CEO and chairman of the board Mr. Kent makes all the decisions regarding the company policies. The Coca-Cola Company has a separate international division, It constitutes around the world and various departments to control each continent with separate president. Coca cola company major division EURASIA AND AFRICA, EUROPE, LATIN AMERICA, NORTH AMERICA, and PACIFIC are now controlled by president of division. And he sit in the corporate headquarter.

Examples = Ahmed C. Bozer Eurasia and Africa Group, president of the Coca-Cola Company, the leadership of the Company's business activities in more than 90 countries and regions. Headquartered in Istanbul, the Group consists of six business units, including Turkey, the Middle East and North Africa, Russia, Ukraine and Belarus, India and South-West Asia, Central Asia, the Middle East and West Africa and South Africa.

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3. Describe the main communication processes. Be specific in your discussion.

Coca cola company in February 2007 and the previous CEO “ John Brock”, they need to communicate, a new strategic direction for the coca cola.

However, they don't have cohesive communication strategy, John Brock is unable to reach and rapidly with the entire organization's employees. But then after with the implementation of the communication strategy of the CISCO internet business solution group. Coca-Cola through Cisco's successful implementation of communication.

The proposed combination of Cisco's own success in the internal administration of the communication process unified communications solutions based on, but targeted to coca cola company opportunities, challenges, and cultural. A customized roadmap defines a phased approach, the first stage to provide live video and video-on-demand coca cola's senior management team. The first phase also includes the company's intranet, audio and 30, 000 knowledge workers a “ meeting in a box”, so that management personnel on-site staff to convey information. Subsequent phases will be further driven by the automation to the organization, so that all employees secure access to intranet or through kiosks in each device.

And on the Results that 90 % of employees satisfied with new communications and Coca-Cola set up the whole framework of the company's global operations and Rebuild its implementation of communication strategies. “ Today everyone that the Coca-Cola Company in the communication aspect is a big difference, said:” Heights. “ We were able

to communicate quickly; we have been fast enough, we they have a consistent message. (Cisco IBSG 2011)

What is the importance of being a learning organization? How is this demonstrated?

For coca cola, Learning organization is an important part of its overall mission statement, Chairman and Chief Executive Officer of the company take the lead in learning plan development and structure, not only the leader, but the employees throughout the organization.

Coca Cola University's purpose is to provide experience to equip people with practical skills and knowledge, in order to win the market. Employees in a wide range of areas including human leadership, the leadership of the franchise, the consumer market and customer, business class.

Coca Cola University is the best research, and provide training / consulting service to learning transfer between the different parts of the coca cola franchise system

(Coca cola 2006-2012)

Describe their policy in handling ethic issues. Give at least one example of resolving a major ethical issue.

Coca cola Company has very strong ethical code; the code is needed for honesty and integrity in all situations. Coca cola directors, managers or any other employs must have to read and understands the code, and follow the lessons in the organization or in market.

This code can help their people to do the right thing and a place to play, the rules they operate around the global

For Example, In 2003, near every community of the Coca-Cola bottling plant in Kerala, India to protest water shortages and water pollution, resulting in its bottling operations. These allegations led to the closure of the bottling plant. Coca-Cola unethical business behaviour is prohibited state. After that coca cola company near the local bottling plant in order to win the trust between the people and improve their business practices and they reduction 34% in water consumption.

(Coca cola 2006-2012)

What are the major strengths and weaknesses of the company's leadership, management and OB?

Strengths of Coca Cola Company

Globally known about Coca Cola Company

Coca-Cola Company, is well-known around the globally and has a long history. The company holds the brand name of its own credibility in the international market. And coca cola have customer all around the world.

Coca cola company's Brand Image

Coca cola company brand image is very good, around the world. Coca Cola Company is so famous and almost every people know about coca cola brand. Its development has a great impact on the coca cola company image. Coca cola is rated as the world first cold drink brand.

Supply chain management (SCM)

The company has successfully dealt with Supply Chain Management (SCM) which is the spine of any company. Coke deals with SCM and gives training and conducts campaigns regarding it. This seems to be proactive and successfully convert them to strength. And coca cola have very good supply chain management.

Brand positioning

Coca-Cola's brand positioning is very strong. The company focused on Training Online Manager (TOM). Top of mind strategy allows consumers to remember the product, as well as the product is the number one position. Positioning strategy is the real strength of the company, because it made a great contribution to the success of the company.

Quality of the product

Coco-cola gives first preference to it's and quality and maintains its consistency all over the years. They also maintain quality management team which focuses on the products always. This made the company's product to reach globally around the world.

(Coca cola, swot analysis 2010)

Weaknesses of Coca Cola Company

Limited drinks add in market.

Weaknesses for the coca cola company is, they produce drinks such as Coke and Sprite are very popular, but the company there are about 400 different types of beverage type. Largely unknown, rarely seen available for purchase.

These drinks may taste is not bad, but the result is quite low-key or non-existent advertising. This is a weakness in the analysis of companies, they need to research.

On health problem

Another weakness has been greatly publicized health problems are surrounded by some of their products. It is understood that a popular product, such as coke is not very beneficial to your body and your health. In todays constantly transferred to the health care products and some products may lose customers. This may be a new focus on weight and health problems, is detrimental to your health.

Not produce organic drink

As for the internal weaknesses, the same never produced organic products of the Coca-Cola Company. They do not have relationships with organic suppliers.

Promotional activities

Coca cola company, In Pakistan ignored the most important element is to promote. On the other hand it can be seen, Pepsi publicity activation.

Make significant recommendations for improvement :-

For the my recommendation for improvement, I would like to suggest to the coca cola company,

Coca Cola Company doesn't have any drinks which contend natural items in drink, they have to make any drink which contend with natural flower and contend.

Coca Cola Company have to do some marketing for snack, water bottled, sports drinks and some other product....

Coca Cola Company has to clear their problem which is on people's health related.

Coca cola have to stop plastic bottle because nobody can destroy it and around 25% only recycle.

Coca Cola Company have to served drink only in cane so nobody can mix anything with drinks, in plastic bottle some people open it and mix something and pack it nicely and they seal.

Coca cola have to start some policy like

“ If costumer gives 4 empty bottles, he gets one free coca cola drink”.

Coca cola have to improve their water plant because for beverage they need lots of water, now recently they face problem in coca cola plant India for water supply.

For marketing coca cola company has to make some TV add with kids so they can attract kids.

The company to use splenda instead of aspartame in the diet pop. And the same time use citric acid instead of phosphoric acid in the beverages.