

Coca cola marketing project flashcard



**ASSIGN
BUSTER**

To refresh the world... To inspire moments of optimism and happiness.

.. To create value and make a difference. Vision It represents what they need to accomplish in order to continue achieving sustainable, quality growth.

People: Be a great place to work where people re inspired to be the best they can be.

Portfolio: Bring to the world a portfolio of quality beverage brands that anticipate and satisfy people’s desires and needs.

Partners: Nurture a winning network of customers and suppliers, together we create mutual, enduring value. Planet: Be a responsible citizen that makes a difference by helping build and support sustainable communities. Profit: Maximize long-term return to shareowner while being mindful of our overall responsibilities. Productivity: Be a highly effective, lean and fast-moving organization.

Living their Values Their values serve as a compass for their actions and describe how they behave in the world.

Leadership: The courage to shape a better future Collaboration: Leverage collective genius Integrity: Be real Accountability: If it is to be, it’s up to me Passion: Committed in heart and mind Diversity: As inclusive as our brands Quality: What we do, we do well Focus on the Market Focus on needs of their consumers, customers and franchise partners Get out into the market and listen, observe and learn Possess a world view Focus on execution in the marketplace every day Be insatiably curious

Work Smart Act with urgency Remain responsive to change Have the courage to change course when needed Remain constructively discontent Work efficiently Act Like Owners Be accountable for our actions and inactions Steward system assets and focus on building value Reward our people for taking risks and finding better ways to solve problems Learn from our outcomes what worked and what didn't Be the Brand Inspire creativity, passion, optimism and fun FOCUS ON CONSUMER Responding to consumers' needs with innovation Consumer needs and demands are constantly evolving throughout markets.

In order to remain relevant to their consumers they establish clear category and brand priorities and define focused objectives. They drive innovation by continuously building on their strong family of brands and introducing new flavors and packages in specific markets. Part of their innovation process, they are launching existing brands in new markets and re-launching or reinvigorating existing brands where appropriate.

In many of the markets where adults are a growing segment Of consumer base, they have launched several product innovations to ensure they meet their expectations and their increased interest in reducing their sugar and calorie intake. In 2008, they launched Coca-Cola Zero, a full-flavor no calorie Coca-Cola beverage highly popular among adult consumers, which is available in 20 out of 28 markets. They have progressively reformulated Fauna, Sprite and Nestled so they now contain up to 30% fewer calories than in 2010. This has been a gradual process to enable the consumers to adjust to the reduced sugar content.

The average calorie content of beverages is now 31 Kcal/mall, representing a 16% decrease since 201 1 and supporting their commitment to promoting lately lifestyles.

They are also innovating in the use of natural sweeteners, Steven, a plant-based extract that has zero calories. In 2012, they launched Sprite with Steven in Switzerland, and it's mainly used in Nested range available in 12 markets. Nutritional labeling information Key nutritional information is on front-of-pack labels of bottles and cans. In Europe, they have pioneered the use of Guideline Daily Amounts (Gas) on front-of-pack labels since 2009.

These show calorie, sugar, fat, saturated fat and salt content in absolute values and as a percentage of daily intake. These re reported per serving and as a proportion of a healthy diet, the most important piece of information needed to control weight. Additionally, no- and low-calorie beverages are clearly labeled on front-of-pack, so that consumers can identify them more easily. In 2012, they were one of 12 companies that signed up to the new EX. Regulation on Food Information to Consumers, a voluntary framework for labeling of Guidelines Daily Amounts.

Making packaging more sustainable While the content and origin of products are the basis, their packaging in a range of sizes and material types is also vital in meeting consumer needs. Packaging comprises an average of 22% of the cost of goods sold, a percentage they aim to reduce through minimizing raw materials used. They focus in particular on reducing the amount of packaging, known as ' light- weighting' and on increasing the recycled and renewable content of cans and bottles. They also work with suppliers to

increase the recycled content of packages as using recycled instead Of virgin material reduces the carbon footprint of packages.

Recycling of metal and glass is already well established, with recycled content accounting for around half of the material in cans and bottles. Their focus is on the recycled content of our PET bottles.

In 2013, their use of recycled PET rose by 23%. They also use refillable packaging, equating to of volume. As well as recycled content, The Coca-Cola Company advances plant-based packaging innovation for the Coca-Cola System. For example, a plant-based PET – Balletomane – developed by The Coca-Cola Company, was the first fully recyclable PET bottle made with up to 30% plant-based material(the bottle of Doran in Romania).

Marketplace execution Five core principles: Availability means placing the range of products within easy reach of nonusers in the “ right” package, in the “ right” location, at the “ right” time.

Affordability means offering a wide variety of desirable, premium quality products, in packages appropriate for the occasion, at the “ right” price.

Acceptability means supplying an extensive and growing range of products that meet the highest quality standards in each country, enhancing their acceptability to consumers.

Activation means motivating consumers to choose their products by improving product availability and attractiveness at the point of purchase and by building brand strength in their local markets. Attitude is about the way sales representatives and their people behave every day in their

interactions with customers ensuring that they meet their needs with an objective to become the preferred supplier of choice.

Customer care centers They established customer care centers that provide a single and efficient point of contact between the customers and themselves leading to improved satisfaction scores.

To track the overall performance, they have employed the independent external organization SGF to provide a measure of customer satisfaction across markets. **Hellenic Good Morning Meetings** The ‘ Hellenic Good Morning! ’ meetings enhance execution in the marketplace whereby the sales force teams in each county meet on a daily basis, set key targets for each day, review results from the previous day and reward best performers.

Marketing and merchandising They develop strong relationships with customers by focusing on execution of customer marketing promotions and merchandising at the point of sale.

They support it by conducting regular customer satisfaction surveys and by developing innovative materials for retail sales activation, including new racks, point-of-sale visuals and sales aids for customers. They also conduct market analyses to better understand unique shoppers and purchase occasions in different trade channels. This information is used to develop all of non-alcoholic ready-to drink beverage categories at every point of sale. They sponsor significant sporting, cultural and community activities across all countries.

They seek to integrate consumer marketing and sponsorship activities with retail promotions. In conjunction with the global sponsorship of the Olympic

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Games by The Coca-Cola Company, which dates back to 1928, they engage in a range of promotions.

The Coca-Cola Company's association with international sporting events such as the Olympics, the Football European Cup and the Football World Cup also enables them to realize significant benefits from the unique marketing opportunities of some of the largest and most prestigious sporting events in the world.

PERPETUAL INNOVATION Joe Tripod, Chief Marketing and Commercial Officer of The Coca-Cola Company laid out his company approach to brand reinvention and the strategy it adopted to winning over “Millennial”, those crucial consumers born between the early 1980s and the early 2000s.

Millennials are digital natives, having been born into a world dominated by the Internet. According to Tripod, “We expect unlimited choice, personalized and delivered through multiple channels at maximum speed.” Millennials are striving to change their world to align with a new set of values.

In this new world order the spark of an idea can ignite a flame across an entire region in seconds, thanks to modern technology. The individual has incredible power to sway opinion, start a movement, and even topple governments. The key to any brand staying relevant is to constantly innovate and evolve by being nimble and responsive, and to share the same values that Millennials respect. There are 5 specific areas where Coke is focusing on innovation: Packaging, Partnerships, Products & Equipment, Consumer Provocations, and Cultural Leadership.

Innovation at Coca-Cola means that good ideas and best practices can be scaled globally and can travel. This is not easy in a huge multinational corporation, with a market cap of \$175 billion, but it is possible.

Creativity, asserts Tripod, is essential to drive innovation, as is courage, risk taking, and reinvention. This is not limited just to how Coke goes to market. It means having to reinvent the company and the way it's structured and networked internally and externally. It is our ability to adapt, to participate in, and even lead in culture, that will allow us to achieve our business goals", he says. And those business goals are extraordinarily ambitious.

Coke's goal, known as its 2020 Vision, is to double its business by the end of the decade or, in other words, to double what it took 125 years to create! 1 . Packaging For Coke, packaging has been a defining aspect of its essence and a key part of its engagement strategy. The contour-shaped Coca-Cola bottle will be 100 years old in 2015. Its shape is iconic, and totally synonymous with the brand.

Coke has experimented, and had success, with a variety of packaging innovations over the years, but when sales and brand equity suddenly declined in Australia a couple of years ago, Coke needed to find relevance with Millennial. The solution was an ingenious, if risky, packaging idea: Customizable packaging by replacing the "Coke" branding with Australia's most popular Teen first names. Instead of a "Coke" you could order and drink a "Mike", "Dave" or "Suez." This was hugely successful Down Under: Sales picked, with an incredible amount of social media impressions and expressions.

Customized packaging has now been activated in 30 countries so far. In Japan, where customizing packaging by names could not be done, Coke found another ingenious way to deliver the idea.

It partnered with Sony so its customers could download free songs that were tied to their birth year. 2. Partnerships Coke looks at its partners as co-creators of its Portfolio of Innovation. It dynamically manages the partnerships as assets and Tripod emphatically states, “ We’re better and stronger with the capabilities of our partners.

” 3.

Products & equipment Critical to Coke’s future is keeping its pipeline full. This past year it introduced over 500 new beverage products around the world. One exciting innovation is the FreeStyle machine, a new generation of fountain dispenser. Offering over 100 products, it enables any kind of flavor mix, creating new and unique flavor combinations. It’s a big shift: out of manufacturing and into equipment innovation to enable consumer co-creation and customization.

The individualized consumer experience with the products is a key Millennial expectation.

A new mobile app lets consumers save all their blends, so any Freestyle machine will know their favorite flavor combo. Data based on user feedback on the Freestyle, combined with technical monitoring which provides Coke with insight on product, consumer engagement and new dispenser opportunities. It is real-time consumer co-creation with the potential to

develop completely new markets for the company. 4. Consumer provocations Part of Coke's engagement strategy, he explains, is to move away from being a brand that promotes happiness, to a brand that provokes happiness.

The heart of Coke's engagement program is social platforms that provokes experiences through stories that are sufficiently powerful and share worthy to fuel conversations with many. 5. Cultural leadership As the most recognized brand in the world, it is a known fact that Coke has a position in the global cultural consciousness. To stay relevant in a marketplace that is being reordered by Millennial, it has to engage itself in active conversations with this generation. And sometimes those conversations can be awkward, but they are important to take on.

Like, for example, the subject of obesity. To that end, Coke has developed what they've termed a 360 degree Engagement Plan, that includes low and no calorie beverages, transparent nutrition information, inspiring well-being and encouraging people to get active and moving by supporting physical activity programs, together with a commitment of not advertising to children under the age of 12. The manager warns that marketers should not be seduced by technology alone. Without creativity, a strong story, one can't make a strong connection.

Using all of the tools of innovation and storytelling gives Coke the opportunity to spread their brand of happiness around the world and stay elevate. **MARKETING MIX Segmentation** Market segmentation is the process of portioning market into groups of potential customers with similar needs

and/or characteristics who are likely to exhibit similar purchase behavior. Objective of such a process is to analyze and understand market, identify opportunities and use or develop competitive edge to capitalize on those opportunities.

The Coca Cola Company segments the customers based on the following criteria: Geographic segmentation: Coca Cola has segmented the worldwide market on the basis of geographies. There are various divisions created for major egging of the world and heads of each division report to the parent company. Lot of autonomy is given to each division to run the operations.

Place of consumption: Coca Cola segments the market on the basis of the place of consumption of the beverage. Most of consumption takes place on premises such as bars, restaurants, cinemas etc, while the rest takes place in homes.

Product type: Coca Cola segments the market on the basis of the type of products bought by customers. The market is divided into Cola products and non cola products. Cola products currently provide majority Of he revenues, but the proportion of non cola products is increasing.

Demographics: The segmentation is done on the basis of age, as well as income. Targeting Coca Cola targets different segments with different ads. Primary market is represented by young people, aged between 12 and 25 years old, with people from 25-40 comprising the secondary market.

Cola products are targeted towards people who want strong flavor, while Diet Coke and its variants are targeted towards the sub segment that is health conscious.

The health conscious segment of the market is targeted also by the non cola beverages. Some of the products, such as Sprite, specifically target teens and college students, while others, such as Lima, target young working population. Positioning Coca Cola positions its products as refreshing and thirst quenching. The products are said to bring joy: “ Open Happiness”.

The products are associated with having a good time with friends and family and enjoying everyday life.

They are also marketed as consistent and of high quality. ROMANIA MARKET
Coca-Cola HOB Romania is the biggest company in the non-alcoholic beverage industry in the country and is a franchised bottler of The Coca-Cola Company. Coca-Cola HOB Romania (410 billion Euro turnover in 2013) started operations in Romania in 1991 and now it employs 1,700 people. They operate three bottling plants across the country and channel products through 14 warehouses and distribution centers.

The product portfolio consists of: – leading brands Coca-Cola, Fauna and Sprite – local brands such as the natural mineral waters: Doran, Doran Savors Alba Piano Negro – brands licensed by other companies, such as Nested and Lily.

ADVERTISING “ Share a Coca-Cola” campaign For the 1st time in brand’s history, Coca-Cola offered its logo to its consumers ND told them to surprise

the loved ones offering them a Coca-Cola bottle with their own name on it. The campaign was firstly launched in Australia in 2011 with the purpose to bring back the consumers interest.

The result was a 7% increase in the consumption among young people. From that moment on, the campaign expanded in more than 80 countries. The idea proved to be very successful on the Romania market too, where it was launched in 2013. Andrei, Ana or Maria had their own Coca-Cola bottles because during that period, the most popular 150 Romania names replaced the known brand logo.

Also, Coca-Cola let its consumers share with friends also, with “ Share a Coca-Cola With a gamer’ or “ Share a Coca-Cola with a biker”.

The cans and bottles of Coca-Cola also included a series of other words used to define someone like “ lover”, “ your half”, “ the sexy girl”, ‘ PIP”, “ Diva”, ‘ Star” and so on. “ Say it with a song” campaign The idea of having your bottle personalized was continued in 2014 through music. During summer, the Coca-Cola logo was accompanied by the lyrics of famous songs. Besides lyrics, the bottles had on their labels a QR code, which could be scanned, allowing the consumers to listen to a fragment of the songs, before sending it to friends.

Moreover, the initiative encompassed a smartened application through which the consumers could make new friends by identifying people with the same musical preferences in their proximity.

Banner Duet Campaign Launched in July 2013, Coca-Cola Banner Duet Campaign is one of the most innovative digital campaigns of last year: the campaign offered users the opportunity to record a personalized digital duet with Dad Despot, the famous lead singer of “Vita De Vie” rock band. In banners across the web, the musician invited the users to call him using their phones.

Once they call the number shown, the banner recognizes the call, Dad answered and offered to sing the famous song “Para De Stele” together in a duet with him. Dad sang in the banner and the users used their phone as the microphone, and all the singing voices were recorded as a personal duet with him. Besides being part of a unique experience, the users had the chance to win tickets to one of the most important music events in Romania – BEEFIEST and a meet and greet with the artist.

In the 2nd stage of the campaign, all the participants that recorded duets with Dad, were rewarded for the effort: – Best voices got a Arsenal Youth video of their duets – On MAT, voices of the recorded users were integrated in the official clip of “Para De Stele” – At BEEFIEST, Dad Despot shared the stage with all the voices recorded, and played them as his chorus connecting his fans from digital to the ones from the event.

“Let’s eat together” campaign (2013) The beverage brand combined live tweets with pre-recorded spots in an effort to help people rediscover the happiness of eating meals together.

In fact, a whopping 60% of Rumanians do not eat meals together, instead opting to live a solitary culinary life in front of their TV sets. Coca-Cola

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Romania enlisted MR. Worldwide to help Rumanians rediscover the happiness of sharing a meal together, of course in hope of associating it with a Coke.

They ran a typical ad showing family and friends coming together with the help of Coca-Cola. However, unlike any other spot ever created, this one integrated live tweets on national television. At the bottom Of the ad, there was a text bar that hosted tweets from fans featuring the washrag #Lithographers.

MR. live-edited the tweets as they flowed in and chose up to seven tweets to show each time the ad was played.

Most of the tweets were addressed to specific people, with friends inviting friends to have a meal together and enjoy each others company. As a result, Coke's Twitter base in Romania increased 15% and the ad garnered over 1 million social media impressions. Placing live Twitter mentions into a pre-recorded ad presents an incredibly innovative way to combine traditional advertising formats with today's social media, and proves that you can really invite someone over for a meal through your TV. Radar for good" App Campaign (2014) As part of the " Crazy for Good" initiative, a global project dedicated to people ongoing good for random strangers, Coca-Cola Romania via MR. Bucharest created " Radar For Good", the first mobile platform for close range volunteering, to support the people who want to do good in the society right now. The app shows you where, near you, you can do something good at the moment.

This is a good use of location data for a specific cause.

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A spokesperson at McCann lets us know: “ The campaign generated much buzz in Romania, converted over 21. 000 volunteers. Also, over 130 Nags enrolled their causes in “ Radar for Good” and reported an increase in volunteering numbers to up to 50%.

CORPORATE SOCIAL RESPONSIBILITY Improving water efficiency In their bottling plants, they closely monitor water sources, minimizing the amount of water they withdraw. By incorporating water saving technologies in their production lines, they have managed to improve the efficiency with which they use water.

For example, in Romania two new technologies have been implemented in recentness: ; dry lubrication technology eliminates substantial water consumption as gel instead of water moves the beverages along the conveyors on their PET production lines ; unionized air technology washes PET bottles, instead of water. Working in partnership “ The Green Danube” is their most longstanding partnership. Together with the International Commission for the Protection of the Danube River, they conduct conservation and awareness-raising activities in Romania and nine other countries lying in the river basin.

These include annual Danube Day celebrations, which see the participation of tens/hundreds of thousands of people.

In 2008 and 2009, “ Tasteless social” and “ Maim Mull ever’ organizations conducted a large-scale reforestation event in Avatar Doreen and a cleanup of the Sires riverbanks from Avatar Doreen to Galatia, including nine ties. At the same time, 200 children from 65 high schools in the area participated in

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multiple training sessions on volunteering and civic responsibility, leadership, project management, survival skills and first aid. 50 training hours were made possible thanks to volunteer specialists and public figures such as Marcel Iures, Dad Mille and Catalina Sustenance. SMUTS, Roman's Mobile Emergency Service for Resuscitation and Extrication, joined the program and offered first aid and survival trainings, alongside the volunteers at the Sires river banks clean up.

An additional 2, 500 teens participated. As part of the “ Adopt a river from its spring to its mouth” (Golden Award at European CARS Awards 2013), water protection and conservation platform, they set up a “ Water Educational Center in one of their former plants in Doran Cinderella.

Here local teenagers can learn about biodiversity, pollution and ways to address it, responsible tourism, best practices in volunteering. The project was carried out in partnership with the Romania Ministry of Environment and Forests, Claimant National Park and Tasteless Social organization.

At the center and through a series of other educational and ecological managing developed over time in Doran Cinderella, they are contributing to the long-term protection and conservation of natural riches and water resources in the area where their mineral waters spring.

The results of the “ Adopt a river from its spring to its mouth” integrated program, from north of the country, where they bottle the mineral waters to the Danube Delta are: 32, 500 trees planted, 70 tones Of Waste collected, 2. 5 million euros accessed by local authorities for sewage system and filtering stations for Doran inhabitants, adopting a law for forbidding the industrial

fishing, adopting the urbanism plan in Danube Delta. Energy and climate protection They are accelerating their efforts in the parts of the business that use the most energy: the bottling plants, fleet and cold drink equipment.

In bottling plants, they are building combined heat and power units. They are also expanding energy-savings programs.

In their fleet, they are exploring and expanding the use of hybrid vehicles and alternative fuels. They are also changing driver behavior with the Safe and CEO-Driving program. Their new energy-efficient cold drink equipment emits up 50% less CA emissions than 2004. Packaging and recycling They are working to reduce the environmental impacts of their packaging at every stage of its lifestyle.