

# [Creativity and innovation used by coca cola](https://assignbuster.com/creativity-and-innovation-used-by-coca-cola/)

Innovation is at the centre of everything Coca Cola does. It is the powerful force behind their 3, 000 juices, waters, sports drinks, sparkling beverages and energy drinks. It is the motivation behind their environmentally-friendly packaging and refrigeration equipment. Innovation is what makes Cokes cutting-edge marketing connect with consumers around the world every day. Innovation is what keeps them thirsting for success.

In May, 1886, Coca Cola was invented by Doctor John Pemberton, a pharmacist from Atlanta, Georgia. He concocted the formula in a three legged brass kettle in his backyard. Asa Candler, having bought the rights to the drink upon Pemberton’s death, starts up The Coca Cola Company. Within three years, Coke had spread to every state in the United States. In 1989, the first bottling plant is opened, allowing wider distribution of Coke. By 1916, the trademark contoured bottle was designed to differentiate Coke from its competitors. At the end of the 1960s, the number of countries with bottling operations had nearly doubled. As Coca Cola grew, it began to differentiate it’s range of products.

COCA Cola is the best selling soft drink in the world. Countries like Mexico, Brazil, Japan and China produces sales of 43%, followed by ‘ The rest of the world’ and the ‘ United States’ with 37% and 20% respectively. The company now has the rights to approximately 400 brands of beverages, including its trademark Coca-Cola and Diet Coke soft drinks. Cokes products, like any other, face competition on a global level. A few brands on the market competing with them are Redbull, locozade, Mountain Dew and of course Pepsi.

Technology and Innovation

Innovation activity is a “ team sport” relying on the combination of different resources and opinions to bring success. It needs a good blend of innovative ideas, products and demands for attaining outstanding achievements.

Package Innovation

The unusual contour shaped Coke bottle was the company’s first innovative idea to differentiate itself from its competitors. Introduced in 2000, the Ultra Glass contour bottle is designed to improve impact resistance, and reduce weight and cost. The innovative Ultra Glass bottles are 40% stronger, 20% lighter and 10% precent less expensive than traditional contour bottles.

Bottling Innovation

Coca-Cola’s bottling system is one of their greatest strengths. It allows them to conduct business on a global scale while maintaining a local approach. The company’s bottling partners are always local businesses, exerting a strong influence on economic development and actively participating in community life through philanthropic activities. This innovative organisational approach has allowed Coca Cola to gain economics of scale through the competent running of a large scale franchising system for its bottling operations.

Vending Innovation

Automated refrigerator vending machines with the introduction of the open top metal coolers. Today, new climate friendly coolers that reduce CO2 emissions. Using a CO2 refrigeration syatem and HFC-free insulation foam, these reduce potential direct CO2 equivalent green house gas emissions by approximately 99%.

Challenges/Opportunities

Before the 200 Olympics, there was a concerted online campaign which showed Coke in a bad light environmentally and pushed Coke to buy green refrigeration for new units. The E-card was used by the Cokespotlight campaign, a joint Greenpeace/Adbusters effort, which successfully changed Coke’s policy on climate-killing refrigerants. Coke announced phase out plans for damaging refrigeration technologies by the time of the 2004 Olympics. In 2008, Coke installed no less than 6350 climate friendly coolers and vending machines in the Olympic Games venues in Beijing and six co-host cities. This approach of combining natural refrigerants and energy efficient technology is a great example of how a business can innovate and turn a challenge into an opportunity. 40 million dollars was invested to the research for the HFC-free machines, and more is continually poured into developing green technologies today. The company is also involved in the wellbeing industry through proper investments in The Beverage Institute for Health and Wellness

## Critically analyse the creativity and innovation process, practices and policies within Coca Cola

The market today is always changing. A company must be in tune with what consumers want. Consumers get bored, and often want new products. In order to meet the wants and needs of customers a company must introduce new products or services (Bateman &Snell, 2003). Coca-Cola in an effort to meet customer’s needs created C2 which is a low carb soft drink. This was in response to the low carb diets and the demands of consumers. They also intend to launch a new soft drink called Coca-Cola Zero. This is a zero calorie soft drink. Knowing the importance of innovation the Coca-Cola Company has always strived to create new products. They already have Coke with Lime, Lemon, Vanilla and Cherry. Raspberry will be the new flavor added to Coke coming soon. They also have plans to sweeten Diet Coke with Splenda, a sugar substitute that is safe for diabetics.

## Discover and explore possible sources of innovation internally and externally for Coca Cola

There are many factors, internal as well as external that impact the planning function of management within an organization, and Coca-Cola is no exception. More than a billion times every day, thirsty people around the world reach for Coca-Cola products for refreshment. Coca-Cola is the most popular and biggest-selling soft drink in history, as well as the best-known product in the world. The Coca-Cola franchise covers a population of approximately 398 million people. Coca-Cola Enterprises employs approximately 72, 000 people who operate 463 facilities, 54, 000 vehicles and approximately 2. 4 million vending machines, beverage dispensers and coolers.

## Make recommendations as to how Coca Cola can become more creative and innovative

## Conclusion