

# [Consumer behaviour case study: coke for all](https://assignbuster.com/consumer-behaviour-case-study-coke-for-all/)

### Introduction

This case study examines how consumer behavior has successfully been used to promote Coca-Cola brand in Thailand while the market share of company has declined.

First of all, this case study states a short history of Coca-Cola and explains the problem background of the company regarding in Thailand.

Secondly, the analysis of how consumer behaviour theories used to solve the problem will be provided.

Finally, there are conclusion and limitations of the case study.

### Background

Today, Coca-Cola took the top position among the Top 10 Global Brands 2008 for the eighth year in a row (Economictimes 2008), since it was created in 1886 by John Pemberton, a pharmacist in Atlanta, United States. In 2003, Coca-Cola became the world’s largest manufacturer, marketer, and distributor of nonalcoholic beverage concentrates and syrups. Now Coca-Cola sells more than 400 brands in 200 countries (Coca-Cola, 2008) and had the highest market share amongst other carbonate drinks in the world by more than 70% of its income outside the United States (Euromonitor, 2008).

For many years that Coca-Cola is known as the world leader in carbonated soft drink especially in Europe and South America. But in some Asia markets including Thailand, Coca-Cola still trail its biggest rival, PepsiCo (Euromonitor, 2008).

Regarding to the loss of business situation in Thailand, although Coca-Cola is a global brand available in most countries in the world, sharing strategic principles, positioning, marketing including carrying the same brand name or logo (Mooij, 2005). The company is also recognised by the importance of adaptation/localisation in overseas by responding to each target market’s need and want, focusing more on the market; economy, culture and region (Hollenson, 2007). Moreover, Coca-Cola tries to approach the target consumers by decentralising the operation and marketing, trusting more on the ideas and decisions made by individual local company not from its Atlanta head quarter (NewYork Times, 2000). These are the ways to reach every target consumer in the world as the mantra of CEO and Chairman of the company, Doug Daft in 2000 said:

* “ To be within an arm’s search of desire….. Always, everywhere Coca-Cola”
* “ think local, act local”
* “ people don’t buy drinks globally”
* “ We need to make our advertising as relevant as possible to local markets”

(FT, 2001 strategieseurope, February 2001)

With mixing these two components (global brand and localisation), Coca-Cola is still found to lose connection with Thai consumers, according to Sasie Vadhanapanich, a chief ideation officer of a marketing research company in Thailand acknowledged Thai’s perception for Coca-Cola that the brand stands for ‘ youthful spirit’, ‘ cool’ and ‘ hip’. But for many years ago, the company had not excited the market or consumers anymore whether through new product innovations or impactful breakthrough campaigns. Although many attempts were provided to reconnect with young consumer, the impact was so short-lived (Mulchan, 2004).

This problem of Coca-Cola in Thailand can be explained in term of the conflict between being global brand and localization. Though Coca-Cola said it has applied adaptation/localisation strategy but their advertising campaigns in Thailand before 2007 still were global advertisings, the company still adapt one global advertising with promote amusements, cool and hip of teenager with Coca-Cola in the term of global brand. This situation is considered as wrong principle and impossible in practice because global advertising can be effective to consumer in global market not to Thailaind or other market where consumers’ values and cultures are different from the values and cultures in the advertising campaign (Mooij, 2004), also the consumer’s culture of local country is different from the global brand’s country of origin because it is less affluent world of marketization and globalism but more becoming creolized (Belk and Ger, 1996 ).

Until 2007, Coca-Cola decided to launch a new advertising campaign named ‘ Coke for everyone’ (figure 1. see appendix) in Thailand that was totally different and more successful than in the past, because this advertising is expressed Coca-Cola’s good understanding of Thai hoods through telling simple stories of Thai, using Coca-Cola bottle/can as a person to present their differences since physical body, roles in society, attitudes, values, cultures through the most important aspect, their ‘ identities’ in term of self, family, society and nation.

### Conclusion

After ‘ Coca-Cola for everyone’ campaign was launch to promote the brand and increase sales in Thailand for a month. It was been reported from BangkokBizweek, a local newspaper in Thailand that the advertisement was accepted very well from Thai by approaching 80% of the target consumer that led to increasing of national brand preference by 36. 28% (bizweek. com, 2007).

The reason that this ‘ Coke for all’ become a successful advertisement is because the company consider creating the meaningful associations, the structure in the human mind where attributes and benefited are linked with user or brand, to make the advertising relevant and have meaningful to the consumers (Mooij, 2005) (figure 3. see appendix). Moreover, a lot of self identities of Thai were expressed very obviously and the advertisement contained consumers’ feelings and emotions. Finally all of these aspects were considered related culture influences, the most important element.

Overall, this advertisement can be seen as the perfect tool for Coca-Cola in promoting the brand and persuading Thai consumers to drink Coca-Cola, no matter who they are or what they involve with, while Coca-Cola still remain being global brand that can reach local consumers.

### Limitations

One limitation to this case study is there are only two consumer behavior theories been used; self identity and culture dimension in analysis. However, there many other theories which could be looked at when analysing advertising. Another limitation is the fact I am of Thai nationality and I have looked at Coca Cola advertising in Thailand, this could be seen as an subjective view point, where are an objective view point from someone from another country who is able to see both sides without bias, which would be more affective.