

“COCA COLA COMPANY AND BRAND- A CASE STUDY AND ANALYSIS OF A MARKET LEADER IN SOFT DRINK SEGMENT TO TRACK ITS EVOLUTION, GROWTH TRAJECTORY, AND FUTURE PROSPECTS”

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ABOUT COCA COLA

HISTORY OF THE COCA-COLA COMPANY

The company was founded in Atlanta, Georgia. It was Pharmacist Dr. *J.S Pemberton* who invented Coca-Cola. The same day, the new product was sold as a soda fountain drink for five cents. After mixing Carbonated water into it Pemberton finally created what today is regarded as the best soft drink -Coke.

Thinking that the two C's would look well in advertising, Dr. Pemberton suggested the name and calligraphed the famous trademark in a unique script. On May 29th 1886, the first newspaper advertisement appeared in the Atlanta journal which proclaimed Coca-Cola was “delicious and Refreshing, ” and the theme continues to echo today.

Following the death of Dr. J.S. Pemberton in 1888, all of his remaining rights to the product were purchased by G.Candler, a druggist and Atlanta businessman. Mr. Candler recognized great potential in Coca-Cola and went on to acquire complete control for \$2300 in 1891.

The trademark “*COCA-COLA*” was first registered in United States Patent office on January 31st, 1893, and has been renewed periodically. That same year, the first dividend was paid to the shareholders.

THE ADVENT OF BOTTLING

Coke first made its debut in 1894, when *J.A. Biedenharn of Vicksburg*, first installed bottling machinery in his candy store. Large scale bottling was made possible by 1899 when entrepreneurs Thomas and Whitehead with financial assistance from J.T. Lupton contracted with other individuals to establish community bottling operations and developed exclusive territories at to market COCA-COLA. The first bottling plant was opened in 1899 at Chatoonga. This was

beginning of today's worldwide network of locally owned and operated independent bottlers which forms the backbone of Coke.

COCA-COLA's ENTRY INTO INDIA

In 1993, *COCA-COLA* returned to India after a 16 year absence, first launched in Hathras, near Agra, on October 26. The company formed a strategic alliance with Parle Exports and got instant ownership of the nation's top soft drink brands. Thums-up, Limca, Citra, and Gold spot, access to Parle's extensive 54-plant bottling network and a base for the rapid introduction of the company's international brands. This network of independently owned bottlers was and is India's largest soft drink bottling system. There were no more launches that year, but the system was geared to implement a phase roll-out of brands *COCA-COLA* and Fanta across the Company. This was accomplished through incremental case injection of brands *COCA-COLA* & Fanta, over and above the national and regional brands acquired from Parle. Eighteen Bottling plants launches *COCA-COLA* and Fanta in their territories in 1994 itself, and this continued though 1995-96.

COKE'S MARKET SITUATION AND POTENTIAL

Just spare a thought for the marketers and promoters of a carbonated soft drinks company in a country where:

1. The economical set up is that of a developing economy which is predominantly agrarian.
2. 16% of the population is below poverty line, 48% of the population are rural residents.

The per capita consumption of *carbonated soft drinks* (CSD) is just 1.5 million liters per year .The country that we are talking of here is none other than ours, and the CSD Company is *COCA-COLA COMPANY*. After reading the afore mentioned facts, you would have probably dropped the idea altogether of promoting a soft drink brand in India.

“In a country which has a population of more than 100 crores and a total national income that would give a developed country a complex, there has to be a huge market for any consumer product.”

And this is the reason why most of the biggest MNC's in the world are again and again lured into trying a hand in the Indian market.

Even if only 13% of the total population is your target market and the per capita consumption 1.5 millions ltrs. A year, the total consumption would sell out the consumption of three developed countries taken together.

Thus there exists a huge market and immense selling potential in the country if tapped properly.

CURRENT SCENARIO

The current scenario is neither too encouraging nor too depressing. The market growth rate of CSD is currently 5%, however it may dip a little in future.

Therefore, there are chances that the market would force stagnation ahead, but a company can maintain its share if it follows a suitable marketing strategy.

The good news is that there is a growing market for other drinks such as:

Mineral water: 40% growth rate.

Juices and juice based drinks: 30% growth rate

Hence. There lies an enormous amount of untapped potential in these areas.

RESEARCH METHODOLOGY

SCOPE

The main scope of project are:

- To know the product specifications of the coca cola
- To know the price flexibility of coca cola
- To know the promotional features of coca cola
- To know the place considerations of coca cola

OBJECTIVE

The main objectives of undertaking this project report are as follows:

- To study the strategies adopted by a leading soft drink company “Coke”.
- To carry out the competitive analysis over the years, which have made COKE the most recalled brand.
- To study the evolution of coca – cola.
- To know about the sales and promotion strategies of the company

LIMITATIONS

- 1.) The coke company has so many products that it is not possible to go in detail of each and every product in such a short time.
- 2.) There is not enough information present on the net so that I cannot focus on one particular product, though I referred to encyclopedia and other magazines but it was still not enough.
- 3.) As I was not available with enough of primary data, so the analysis of the project may differ from person to person.
- 4.) I was not able to get the details of their transactions for the past few years because of which I can't compare the increase or decrease of coca cola's profit.

THE DATA THAT WAS REQUIRED FOR THE COMPLETION OF THE RESEARCH PROJECT HAS BEEN COLLECTED THROUGH FOLLOWING SOURCES

PRIMARY DATA

Questionnaire

Personal interview

SECONDARY DATA

INTERNET

WWW.COCA-COLA.COM

(Official site coca-cola)

WWW.COCA-COLA.CO.IN

(Official site of coca-cola India ltd)

ENCYCLOPEDIA

BOOKS

Business World

India Today

Business Magazines

Project Report 2005-2006

NEWSPAPERS

The Economic Times

Business times

MARKETING STRATEGIES OF COCA - COLA

THE 4 P's OF MARKETING

➤ PRODUCT:

Coca-Cola's product line includes:

1. *Diet coke*

Coca-Cola U.S.A. announced the introduction of diet coke on July 8th 1982. A massive international roll out of diet coke was under way. As point of marketing strategy, the new product received a different positioning overseas.

Diet coke was positioned to Americans "Just for the taste of it" in a highly developed and competitive one calorie market. Overseas, where the Diet market is much less developed, marketing communicated the one calorie benefits of Diet COCA COLA rather than targeting towards taste.

Today Diet Coke is America's leading one-calorie soft drink and the best selling diet product of any kind in the world. Just a few years since its international roll out, Diet Coke is one of the world's leading soft drink brand.

2. *Coke II*

The **COCA COLA COMPANY** introduces a new taste for COCA COLA in North America. One the basis of detailed taste-testing programme in which over 190,000 consumer opinions and taste tests of various cola formulations were obtained. The consumer preferred the new taste of COCA-COLA over the original taste by overwhelming margins.

3. *Sprite*

This citrus flavoured drink, with a distinctive "Lymon taste", was developed in late 1950's. In 1961, sprite made its U.S. debut.

4. *Cherry Coke*

Cherry Coke was launched nationally in July, 1985, and reached top ten status among all United States soft drinks by year end. Reflecting strong consumer interests, Diet Cherry Coke entered the market in early 1986. And in 1991, new “fountain-style “Cherry Coke was introduced with even more cherry taste, clearly making it the ‘very cherry’ favorite.

5. *Fanta brand*

Introduced in United State in 1960, Fanta was the Ist soft drink other than Coca Cola to be marketed by the Company. The Coca Cola Export Corporation, was unable to obtain the machinery, material and concentrate necessary for the production of Coca Cola during World War II. Instead, an orange flavoured soft drink was produced and the name Fanta was adopted following a German Plant employee contest which yielded the name as a pleasant and refreshing connotation of the world “fantasy”.

6. *Fresca*

Fresca was first introduced in 1966. However, eventually lost its distribution due to the shift in consumer demand towards cola and lemon drinks. Reformulated in 1985, with 100% nutra sweet and 1% real grape fruit , Fresca again began expanding availability on a market by market.

7. *Tab*

In 1963, Tab was introduced as a soft drink for the weight and shape conscious spurring the early growth of the low calorie soft drink segment. Tab has retained the loyal following of the diet conscious consumers who preferred its crisp, distinctive taste.

8. *Mr. Pibb*

This trade mark was conceived by a Mars Chalk Advertising Agency Copy writer seeking an easily pronounced name which might appeal to young consumer. Mr. Pibb was short and simple and ideal match for the smooth and easy taste of the soft drink. It was introduced in 1972.

9. *Minute maid*

Canadian introduction of Minute Maid, an orange soft drink and its diet counterpart was in 1984 and it was made available in 1987.

10. Power Ade

In 1990, Coca Cola, USA introduced Power Ade. The first fountain soft drink was launched in direct response to consumer's demand. The beverage is designed rapidly to replace body fluid loss through perspiration during physical exertion. Power Ade is available in lemon, orange and fruit-punch flavor.

11. Surge

Coca Cola, USA introduced the roll out of Surge, Coca Cola's new citrus soda. Surge is available in white mouth cans, sold individually or multi-pack, and in 20 ounce, 1 lt. and 2 lt. bottles. In some areas it is also available as a fountain drink and has a frozen beverage. The combination of these products along with diet sprite, mellow yellow and others, give the company a prominent shade of the United States soft drink industry as well as the competitive edge in the one calorie soft drink market.

LIST OF BRANDS OF THE COCA-COLA COMPANY**1. CSD BRANDS IN INTERNATIONAL MARKET:**

1886	COCA-COLA
1960	FANTA LINE OF FLAVOURS
1961	SPRITE
1962	TAB
1966	FRESCA
1972	MR. PIBB
1974	SUGAR FREE SPRITE
1979	MELLO-YELLO RAMBLIN FRUIT BEER

- 1982** **DIET COKE**
- 1983** **CAFFEINE – FREE COCA-COLA**
CAFFEINE – FREE DIET COKE
CAFFEINE – FREE TAB
SUGAR FREE SPRITE RENAMED DIET SPRITE
- 1983** **DIET FANTA**
- 1984** **CHERRY COKE**
COCA - COLA WITH A NEW TASTE
COCA - COLA CLASSIC
- 1986** **DIET CHERRY COKE**
- 1985** **MINUTE MAID ORANGE SOFT DRINK**
DIET MINUTE MAID ORANGE SOFT DRINK
MINUTE MAID LEMON - LIME SOFT DRINK
DIET MINUTE MAID LEMON – LIME
- 1986** **CAFFEINE FREE COCA-COLA CLASSIC**
POWER ADE
- 1992** **NEW COKE RENAMED COKE II**
- 1994** **COKE**

CSD BRANDS IN INDIA:

- 1994** **MAAZA**
- 1995** **Took over Parle brands such as:**
- THUMS UP**
GOLD SPOT
LIMCA
CITRA

1997	FANTA
1998	DIET COKE SPRITE
1999	KINLEY mineral water
2002	SHOCK, Energy Drink SUNFILL Powdered soft drink concentrate

Undoubtedly, Coke has taken various steps in order to adapt its product to suit the needs of Indian consumers.

They are the following:

1. **BRAND SELECTIVITY:**

Inclusion of only those brands in the Indian market for which there already existed some rival brand. Took over four **PARLE** brands : Gold Spot, Limca, Citra.

2. **SEGMENTATION:**

(a) *Psychographic segmentation*

(a.1) On the basis of *LIFESTYLES / PERSONALITY/ VALUES:*

Available in different types of packages like bottles, cans, Crates etc. This lays emphasis on providing you the product as you like it.

This is for the people who want to make their drink,

“ A Lifestyle Statement”

(b) *Behavioral segmentation*

(b.1) On the basis of behavioral variables such as :

OCCASIONS: Special gift packs and other assorted packs during the festive season . This is an attempt to cater to the special demands of the people.

USAGE RATE / SIZES: Available in 300 ml. Bottles 500 ml.

PET size bottles, 1 ltr, 1.5 lt. and 2 ltr. economy packs.

3. PRODUCT INVENTION

Sell anything that is drunk!!

The first non-coke thing Coca Cola India has done is to launch Sunfill, a RTD soft drink concentrate powder in a single – serve pouch The product is priced at RS. 2/- and estimates have been made which say that Sinful will go national in the summer of 2002, will be worth around RS. 200 crore by 2003. That almost equal to the soft drink concentrate market's current size, with Rasa, the dominant brand with a market share upward of 85%.

Possible? May well be For Chi's business model for Sinful is a low cost one with element like bulk purchasing , contract manufacturing and a grocery channel led distribution strategy. As far as distribution is concerned CCI does not mind partnering with regional marketers (like Medimix for the Tamil nadu market) if its own reach does not suffice. Sunfill has a clear mandate: bring the 200 million otherwise economically active Indians, mostly from smaller towns and lower social economic classes who do not consume CSDs, into the CCI fold. The fact that most of these consumers are likely to be older than those for its CSD business and that most of Sunfill's consumption will happen at home is just icing on the cake.

In effect, the company's strategy for Sunfill is a reprise of its successful one for its packaged drinking water brand KINLEY . Launched in late 2000, Kinley has carved a 25% market share of Rs. 1200 crore bottled drinking water market. Today, it is a 300 crore brand , second only to market leader Bisleri from Parle's fold .

Testing unknown waters !!!

Perhaps the biggest ace up Coca-Cola's sleeve in its non – CSD initiative is Tea and Coffee. The company does not like to talk much about this , except to say that tea and coffee are very much part of Coca-Cola Inc.'s 50:50 joint venture with NESTLE , Beverage Partners Worldwide(BPW).

This to leverage Coke's distribution strengths and Nestle's brand and category expertise to market pushing cold tea and coffee. "Yes, we have identified tea/ coffee as big opportunities in India. We are speaking to BPW, but everything is in the drawing board stage," says Behr. Do not be taken in by that nebulous quote. CCI has already established a beverage unit to steer all its new non-CSD beverage endeavors, among them hot and cold tea and coffee.

PRICE

Out of the 4 P's of marketing, price is the one which has the maximum impact on Indian consumer's mindset.

Price is the basis of prioritization in most of the buying decisions. Thus, in a way , Coca-Cola has done well to deal with price sensitive Indian market while marketing its profit margins and recovering its promotional costs as well.

In 1992 when Coke was relaunched in India after 18 years , the market was dominated by Pepsi co., which was selling its **250 ml.** Bottle for a M.R.P of **Rs. 7/-** Coke did well by introducing itself with an M.R.P of **Rs. 5/-** for the same **250 ml.** bottle. In response to this Pepsi also cut down its price, but after sometime both the companies again hiked up the price to **Rs. 6/-**.

Then followed a cycle of price chasing, whereby both the companies followed each other's pricing policies and decisions. Prices rose to **7, 7.5 , 8** and with the introduction of **300 ml.** bottles to **Rs. 9/-**. The **250 ml.** bottles finally met their end. Currently the **300 ml.** bottle is priced at **Rs. 9/-**

In Andhra Pradesh, CCI introduced the 200 ml. bottle at Rs. 7 (as against Rs. 10/- for 300 ml. nationally. Almost all the brands of the Coca-Cola Company were launched in different sizes and their prices have been fluctuating throughout.

YEAR	PRODUCT			
	500 ml PET	1 lt	1.5 lt	2.0 lt
1997	---	---	---	---
1998	---	18/-	---	---
1999	---	18/-	32/-	---

2000	---	21/-	35/-	---
2001	18/-	25/-	38/-	41/-
2002	15/-	28/-	38/-	43/-
2003	18/-	25/-	35/-	40/-
2004	18/-	28/-	38/-	43/-
2005	18/-	---	---	43/-
2006	15/-	---	---	43/-

The pattern of prices itself reflects the greater size – greater economy policy of pricing adopted by the company.

These prices have been specially carved according to the benefits that the consumers desire to derive from the product . The prices have been arrived at after careful and methodological analysis of consumer’s status , need, usage , rate , style , convenience etc.

SPECIAL INTRODUCTORY PRICES

Some of the new brands launched like Fanta (Green Apple & watermelon 300 ml.) were priced lower than the regular prices. So as to give an incentive to the consumers and lure them into buying the product for once.

On the other hand, the energy drink SHOCK has been relatively high priced because the target market is limited. The company over here is experimenting with the concept of Niche Marketing for the first time in India (In the CSD sector). Thus, it would be right to say that the Coa-Cola Company has a sound price mechanism on the basis of which the pricing policies are chalked out. However , due to the stagnation of growth rate , a cut in prices is expected in the times ahead.

➤ **PROMOTION**

LATEST SALES STRATEGY:

**COCA-COLA IN INDIA PAINTS THE TOWN RED WITH
"COCA-COLA GET REFRESHED"**

COCA-COLA India kicked off an exciting new Promotion to add to the festive season on October 25th, 2002. The "COCA-COLA Get Refreshed" is all set to catch the consumers, drinking COCA-COLA and shower them with gifts. This promotion is simultaneously being held in New Delhi, Bangalore and Ahmedabad and will continue till November 23rd, 2002.

This is yet another aspect of promotion , where the Coca-Cola Corp. has set high standards . the company follows a multi pronged approach of sales promotion . It has associated itself with people's values , interests , passions, attitudes and beliefs. So much so , that it has become a part and parcel of their lives. No matter what kind of a person you are , you will end up seeing Coke being associated to an activity that you are related to in some or the other way .

SALES PROMOTION:

ADVERTISING AND MARKETING

The company has annual advertising budget of \$40 million 32 celebrity brand ambassadors and endorsees and gives us 21 television advertisements in a year on an average. The amount that Coca-Cola spends on advertising alone is equal to the total earnings of top 10 Indian companies. And the quality of advertisements that coke has been providing over the years reflects the amount of expenditure that goes into it. One of the Company's goals in marketing the world's favourite soft drink COCA-COLA is to make it always available-within arm's reach of desire. Wherever one goes, whatever one does, *COCA-COLA* is there.

T.V COMMERCIALS:

Do you realise the amount of time , effort and money goes into making a T.V commercial.

The following advertisements/commercials are a part of the latest ad campaign by Coca-Cola India ltd.

1.) Coke: a gritty , irreverent and aggressive stance with unusual use of a celebrity ,Aamir khan .the main focus of the ad is in telling the customer that whichever drink is cool and refreshing is Coca-Cola.

“Thanda matlab coca-cola”

This is a very entertaining piece of communication, just one that is difficult to link up to coke’s carefully preserved warm and friendly image.

2.) Thums up: Here’s an ad that doesn’t suffer from any perceptual problems its very in keeping with the rest of the campaign.

“Bade ho jao bachche”

What’s surprising is that reference were made to a competitor’s product long before the general public was aware of its existence , leading them to wonder what Salman khan was ranting about.

3.) Limca : Its left to limca to do some old fashioned advertising –with product benefits (cool & refreshing), Sonali bendre and a sepia toned look that doesn’t scream summer – sufficient incentive to make one drop everything for a sip .

“Sorry Rahul you are just not cool enough”

Lime and lemoni limca

MARKETING PHILOSOPHY:

'The company is committed to building aggressively on its marketing strengths in order to achieve profitable growth in this decade and beyond' - As stated in *COCA-COLA, a business system towards 2000*.

In emerging markets, the primary concern is how to build enough bottling plants to meet demand. Marketing goals then become more diverse as the soft drink Industry expands, product availability increases and consumer desires evolves for wider product range and choice in package types and sizes. In highly developed markets such as North America and Western Europe marketing efforts capitalize on more sophisticated emerging consumer preferences, such as the fast growing market for low-calorie beverages.

ORGANISATION:

Atlanta headquarters marketing professional work with their division marketing colleagues and independent bottling plant personal to identify and pursue marketing opportunities around the world. Efforts of the organization include such areas as marketing research, strategic marketing, advertising, media and presence marketing, new products and customer and operational marketing.

COCA-COLAFOODS

COCA-COLA FOODS is the number one juice and juice drinking company in America and is quickly established itself worldwide. Its products feature some of the country's best known brand names, including minute maid fruit juices, punches and ades ; Hi- citrus fruit drinks ; Five Alive citrus beverage ; Bright and Early breakfast beverage and Barcadi tropical fruit mixers.

QUALITY PRODUCTION

Harvested at the peak of flavour fresh fruit is quickly processed under the strict quality control at the processing plants of the COCA-COLA FOODS. Oranges, Grape fruits, Lemons and Limes are processed at plants in Auburndale and Leesburg, Florida, grapes are processed in Geneva, Ohio. The Co. operates through a network of 10 processing and packaging plants in the U.S., Canada and the Caribbean.

AGGRESSIVE MARKETING

COCA-COLA FOODS is committed to taking its products around the world. It does this though consumer-driven, customer-centered sales, advertising and promotional programmes coupled with competitive pricing strategy and efficient distribution methods. In addition to its successful

grocery store and super market distribution, the company sells its products to restaurants, hotels, hospitals and other food service outlets such as convenience stores and fast food chains such as McDonalds and Wimpy.

Refreshment squads, at select retail outlets in the city, will award people drinking coke with T-shirts and others, who are drinking some other beverage, will also be given opportunities to drink COCA-COLA. This will be in the form of coupons for discounts on or free refills of COCA-COLA, or special combo meals which can be at key COCA-COLA India account outlets in the cities.

This promotion is another step by COCA-COLA INDIA in its continuous efforts to enhance the exciting and refreshing moments of the consumers, moments that are so much a part of the festive season.

The COCA-COLA Co. is the world's largest beverage co. and is the leading producer and marketer of soft drinks. The company markets four of the world's top five brands including Diet Coke, Fanta & Sprite. Through the world's largest distribution system, consumers in nearly 200 countries enjoy the Company's products at a rate of more than 900 million servings a day.

Innovation

At the leading edge of the beverage industry for over a century, the CCI system in India also introduced a series of Innovation in the areas of production, distribution and marketing never seen before in India.

Marketing

"Image-enhanced" graphics on signage, retail outlet walls and delivery vehicles. Trade mark tricycles and pushcarts with umbrellas, covering thousands of mobile outlets. Leading-edge merchandising equipment, including ice box coolers that allow small retailers to serve ice cold soft drinks. Training for retailers in merchandising techniques, such as product placement. Larger single and refillable glass bottles, offering consumers more value. Georgia Green refillable glass bottles produced for the first time in India to differentiate the brands.

Production

Modern production equipment and quality controls system, increasing efficiency and ensuring high-quality products. Product coding and computerized tracking system for inventory control.

CCI STRATEGY

The market strategy of CCI revolves around 3A's:

Availability: The main objective of the organization is to be reachable so that every consumer is able to avail its services. Thereby, it implements aggressive distribution strategies so as to reach millions of Indians every day.

Acceptability & Affordability: The organization aggressively continues to add value to the entire experience of drinking the products, enabling themselves to draw even closer to the consumers.

The human body needs an average of 64-ounces of liquid per day to survive. After over 100 years, the products of the COCA-COLA COMPANY constitute less than 2 of these ounces. However, the focus is not on mere market numbers but on this fluid intake. Internationally, the growth potential is considered to be infinite and India is the epitome of the perceived infinite growth potential. Currently in India the primary emphasis of COCA-COLA is to enhance the production and distribution system so as to bring them to international level. This will enable the potential consumer in any part of India to choose from among these brands. On the advertising front, COCA COLA is a highly consumer driven company and one of its main objectives is to drive volumes through advertisement. For eg: the volumes increased by 64% in the first quarter of 1996, as a result of the World Cup Cricket initiatives. For the current cricketing season, an innovative series of advertisements named ' Experts' is launched. The basic strategy of COCA COLA is to enhance the emotive association with the game of Cricket in general and Cricket fans in particular. This enforces that whenever and wherever there is Cricket, there is Always Coca-Cola!!

THE GENERAL FACTS

- COCA-COLA provides its services in more than 150 countries and is called for in 80 Languages.

- COCA-COLA outsells its nearest competitor worldwide by more than 2 :1 margin.
- Today one of every two colas and one of every two soft drinks consumed by the American public is a COCA-COLA branded product.
- Over the last five years, the company's earnings per share (before changes in accounting principles) have grown at an average annual rate of 18%.
- By December 31, 2003, one original share of stock bought for \$40 in 1919 when the company went public would have grown in value to more than \$2.1 million, including the reinvested dividends.
- The COCA-COLA COMPANY and the Atlanta Committee for the Olympic Games announced the formation of the official 1996 Olympic Games Pin Society, a licensed collectors for the No.1 spectator sport of The Olympic Games - Pin collecting and trading. The Society was designed by millions of people seized by Pin fever. A fun way to share this unique part of Olympic culture.
- For the first time in 6 years, the company launched a new campaign for SPRITE: "Image is nothing .Thirst is everything .Obey your thirst. Sprite". The campaign builds a cool , hip and relevant attitude onto the strong intrinsic attributes of
- Sprite — cool. Fresh , light and bright. New packaging graphics for Sprite have been introduced and packaging for DIET SPRITE is forthcoming.

WHAT'S NEW

Coca-Cola India has awarded the advertising account of its proposed tea and coffee brands to Leo Burnett, Mumbai. "This is an absolutely new category we are planning to tap. We have to develop everything – the brands, the positioning and the **marketing strategy** – from scratch. Since we have no prior experience in these categories, we have inducted the advertising agency at the very inception of the project. The agency will assist us through the entire process – from conceptualisation to the launch and beyond," Shripad Nadkarni, vice-president (marketing), Coca-Cola India .

Nadkarni declined to comment further on this new project pleading, "it is too early". Leo Burnett was equally reticent. While deputy managing director Rahul Kansal confirmed his agency has been assigned Coca-Cola's tea/coffee account, he refused to talk about the specific brands, positioning or the advertising budget since "things were still at a conceptualization stage". What is certain, however, is that a formal agency pitch did not precede the move.

This launch is in line with Coke's strategy to expand its product range beyond carbonated soft drinks. The company's decision to look beyond the 160 million youth base in India follows a nationwide survey conducted. It seems the survey indicated 80 per cent of the Indian population prefers to drink tea and coffee throughout the day. While 20 per cent have a liking for pure milk products such as lassi, only 2 per cent of those covered by the survey consumed carbonated drinks – the product Coca-Cola currently offers. Enter tea and coffee. While official confirmation on this was unavailable, information available with agency faqs! seems to indicate **Coca-Cola** is looking at ready-to-drink tea and coffee available from the vending machine and not a powder/packed product. The company is exploring the possibility of bringing into **India** some of its tea/coffee brands selling in other countries. These include Koo (tea brand, selling in Japan) and Georgia (for tea and coffee both). The launch is stated for 2002-end or beginning of 2003. The price would be Rs 4-5 per cup.

Alongside, the company plans to introduce a coconut-flavored drink in Kerala as part of its **strategy** to promote region/community targeted flavored drinks. The drink will be priced at Rs 10 for a 300-ml bottle. The launch of this coconut-flavored drink will be preceded by the introduction of a black currant flavored drink in Tamil Nadu. Portello, as this brand is called, is likely to be priced at Rs 10 for a 300-ml bottle and has been lined up for an early 2006 launch.

Let us have a look at some of the promotional tools:

1. **SPONSORSHIPS** : The company invests heavily in sponsoring events that are popular and attract crowds . this helps in mass promotion of the brand and enhances its public image . types of sponsorships taken up in India

(a) Cricket Tournaments and other sports events:

Coke has managed to take advantage of people's sporting instincts. When it comes to organizing , controlling and funding sports events , Coke sincerely leads the scene .Cricket in India is not only a game it is the lifeline of people , a cult , a religion. Coke has rightfully exploited the larger than life image of the cricket and its stars by associating itself with the game.

It has organized over 20 cricket tournaments in the last five years and the Sharjah Cup has been renamed as The Coca-Cola trophy under a contract that is to last for ten more years. An enormous amount of money has gone into this type of promotion and the company plans to continue with this kind of a promotion policy in the future as well

(b) College Festivals:

Live performances and other youth oriented programmes:

The major portion of Coke's target market belongs to the youth sector . Thus it lays emphasis on promoting events which attract youth and energetic crowd. Recently 32 college events were sponsored by Coca-Cola within a span of three months. This is an effort to make youth live the brand and the effort surely seems to be bringing positive results.

CONTRACTS , COLABORATIONS, TIE UPS :

- (a) **Movie Places:**Next only to cricket in popularity comes Bollywood. Be it the rich or the poor , the educated or the illiterate , the masses or the classes, almost everybody in the country has a passion for movies . Coca-Cola has entered into contracts with some of the happening movie halls in the city and it also hosts a premier launch show every third week. This is an effective way of large scale promotion.
- (b) **Hotels Restaurants and Food Joints:**Be it Chinese, South Indian , Italian , Thai or Continental , the best thing to go along with any kind of food is Coca-Cola or at least that is what the company says . Coke has tied up with major food joints like Pizza Hut, Mc. Donald's, Dominos , Haldiram's etc. which exclusively serve Coke's products in their soft drinks' servings. This helps in increasing the sales upto 5% over competitors. Various reputed hotels such as The Park, Le Meridian, The Taj Palace etc. co- sponsor a lot events in partnership
With Coke.

3. SPECIAL OCCASIONS AND CELEBRATIONS

Coca-Cola also organizes special programs for people on occasions such as Valentine's day , Holi, New Year's Bash, Christmas, dandiya

shows etc. This helps the brand in being involved with people in their happiness.

4. PUBLIC AND SOCIAL IMAGE BUILDING

The company devotes a part of its profits to public services, social causes and public interest messages etc. This helps in building a favorable image of the company in people's mind.

PLACE

The well planned product and pricing policies and the sensational promotional work of a company has to be marketed by an efficient and effective distributional system. Coca-Cola company had to build a strong distribution base for itself before launching its products in the Indian markets.

The company was partially successful in establishing a network of wholesalers and retailers across the country. At first it began with a modest number of 18000 distributors, distributing products only in major cities. Slowly and gradually attempts were made to increase this number. Today the company has over 25000 distributors spread across the entire country. Direct retail selling has also started, whereby the company transports the products from shop to shop. The company's carriers, visit retailers, shopkeepers, general stores every week to replenish the stock.

Thus the company practices a two level distribution policy in which a distributor / wholesaler channel and a direct dealer channel has been established. The company has employed upto 12000 carrier vehicles and 40000 personnel for these purposes. The policy is to make the drink available in each and every corner of the country. Today the Coca-Cola M.D very proudly says "No matter where you are a Coke bottle is always waiting to uncorked at an arms length". Moreover, constant efforts are being made to expand the distribution network to the remote areas as well.

Coke when entered Indian market, they have tough competition with PEPSI and PARLE.as time goes on coke is increasing its market share and then a time came when they took over PARLE'S four brands (Gold Spot, Limca, Citra).

Now Coca- cola India limited is one of the leading soft drink company in the country. Which deals not only in soft drinks but also in mineral water & also in collaboration with NESTLE beverage partners worldwide (bpw) they have entered into tea & coffee but they use to remain silent about this joint venture.

Their entrance to the mineral water with KINLEY has given them a share of 25% of the total mineral water market, which is second to PARLEY's BISLERY and with 2rs pouch of sunfill powder they came and given them an expected market of 300crore. in tea & coffee with NESTLE.

Coke, no doubt is the company which again and again has come with new creative ideas like CHOTA COKE at just 5rs and Fanta (green apple & watermelon) with a reduced price of 8Rs per 300 ml.

Coke is having a tough competition with PEPSI but with their superior quality and new successful brand's like SPRITE they have proved that they are the best in this sector.