Unit II Assignment

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Coca-Cola, one of the world's largest brand with higher brand equity was established in 1886. The brand is an undoubted market leader with a market share of about 48.6% in the carbonated, and soda drinks market. Coca-Cola, and the whole soda industry was under high criticism due to the increasing concerns related to obesity as it became one of the main reasons for deaths in American adults from the year 1986 to 2006. Health advocates have raised issues on the soda and carbonated drink companies and declared them as number one enemy of the public. Critics of the company declare Coca-Cola as a major contributor to obesity among adults. Numerous articles, books, and documentaries raised criticism on the roles and responsibilities of beverage companies. Coca-Cola chairman responded to the issue by acknowledging that obesity is one of the major challenges which affects people across the globe. The company made an attempt to increase awareness regarding physical activity which is essential to burn calories and issued a press release titled, "Fight against Obesity". However, these programs also faced severe criticism from society.

The perception of products of the product differs from culture to culture and country to country. A study by Bragg, and fellows explores the fact that companies create different images and perception of their brand in high-income countries and different in low-income countries (Bragg, Eby, Arshonsky, & Ogedegbe, 2017). For instance, Coca-Cola featured diet products more frequently on websites in high-income countries as compared to the websites in low-income countries. Consumer behavior, and preferences also change in different cultures. Countries raising issues about obesity, and poor health due to consumption of beverages and soda drinks were also the high-income developed countries who were concerned about the health. None of the issues were raised in low-income countries.

 Faced with severe disparagement, and declined sales, the company used several different strategies, for instance, a press release names ‘Fight Against Obesity" primarily dedicated to promote physical activity side of obesity rather than calories intake. Another video titled "Coming Together", emphasized that Coke is not worst then any other calories food, and company claimed that they are paying their part by offering no-calories, and low-calorie options. The company also set a goal of Active Healthy Living in 2014 by engaging its customers. The former chief marketing offer, Bea Perez’s role was changed to chief sustainability officer. The company joined hands with PepsiCo, and Dr. Pepper Snapple Group, to reduce the amount of calories intake in the American diet. The company’s sustainability report declares that Coca-Cola is concerned about creating value for all the shareholders, stakeholders, and the community and environment as well. The company is dealing continuously to fight with the ethical, and financial dilemma in balancing the company needs with that of society.

 Ethical leadership is very important to create an organizational culture based on ethical that promotes ethical values and social responsibility overall in an organization. Organizational ethics are driven by the actions of its leaders. Ethical leadership is vital in reducing the unethical behavior of employees if leaders take full responsibility for cultivating ethical culture (Engelbrecht, Wolmarans, & Mahembe, 2017). The same goes for the marketing department, they will try to instill ethical values in their practices. However, ethics must be incorporated in the company's goals and missions, to promote ethical activities. Coke is at the heart of the Coca-Cola brand and its marketing department is always aimed at increasing sales of the product. However, different factors such as sugar, and calories information must be highlighted so as to make consumers aware of their calories intake. Coca-Cola must be aware of the influences its marketing can have on the targeted population.

**References**

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