Title: Case Study: Coca Cola

Name:

School or Institution Name (University at Place or Town, State)

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Introduction

Coca Cola is one of the largest multinational soft drinks company in the world. Coca

Cola was established in 1886 by John Pemberton. Since then Coca Cola has grown into an internationally recognized brand and is a leading innovator in its field. Coca Cola has a wide base of brands that are sold under the coca cola banner. These include Fanta, Sprite, Dasani and Costa coffee. Other than drink labels, Coca Cola also is involved in community restoration and improvement through *The Coca Cola Foundation*. This foundation recently helped in disaster relief efforts in the Midwestern states in the USA.

Competitive Advantage of Coca Cola:

Competitive advantage can be defined as giving customers more value for the money they spent in comparison to its competitors. In terms of Coca Cola, they have secured their competitive advantage using a carefully designed marketing strategy to increase its sales and give more value to the customers (Ma, 1999). Their marketing strategy revolves around taking the vision of Coca Cola globally, keeping up with their quality promises, engaging younger minds through focused advertising, changing bottle designs to keep up with changing times and other things such as fun land, cocateria, coca cabs, coke hookah and coke pumps (cost price of soft drink is decreased).

Strategies Implemented by Coca Cola:

Coca Cola has taken up a hybrid form of competitive strategies that have allowed it to become the market leader in various continents around the world. It has combined a low cost and differentiation in its products. The low cost has given Coca Cola market affordability and allowed its customer to easily access the product. This also increased the demand base for its products and through focused advertisement it retained its customers. Coca Cola also has a huge distribution network. Coca Cola takes a keen focus in the people it is selling to and takes into account their culture, likes, dislikes and community norms. This allows Coca Cola to bring out a product that the people can connect to.

Coca Cola’s Inclusion of Porters Generic Strategies:

Porters Generic Strategies give a model of how an organization can gain a competitive advantage over its competitors in market. These strategies revolve around lower cost and differentiation and increased the focus of product compared to the competitors (Tanwar, 2013). Coca Cola has been able to add all of these three types into its operations to increase productivity and profitability. As already mentioned above, their products are cheaper compared to the other competitors like Pepsi and other brands present in the market. They have differentiated their products through strong advertisement, bottle shape and their company symbol from their competitors. They focus on customer needs and demands by providing personalized coke bottles through its “Share a Coke” campaign.

Coca Cola Sustaining Its Competitive Advantage:

Gaining a competitive advantage is hard and arduous thing but sustaining this competitive advantage is an even harder task. Sustaining competitive advantage means certain advantages, assets or attributes that are specific to an organization, which cannot be replicated (Reed & DeFillippi, 1990). Coca Cola simplified its operating structure to better accommodate consumer tastes and preferences. It has low pricing on its product and low cost of production. This allowed it to construct a strong customer base in different markets around the world. They have developed a solid brand by investing more and more in its advertisement and focusing on their quantity and quality.

Conclusion:

Coca Cola keeps on evolving itself over time and allowed itself to use the changing environment for its own advantage through carefully crafted strategies. These have given it access to higher market share and also helps it in sustaining its competitive advantage.

References:

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