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Coca-Cola

Coca-Cola's introduction of new products in the soft drinks arena increased the competition between brands and the possibility to maintain control of demand of the consumers. Coca-Cola turned to Internet marketing to open new doors in its field and with their Internet marketing approach they can take a customer's point of view and evolve the soft drink market with help of social media and the use of demographics. Coca-Colas innovation in Internet marketing gives the buyers more power.

Ad Age recently selected the Coca-Cola Company as the 2011 Marketer of the Year in its November 7 cover story. "Coca-Cola is it again. A year for the record books" *Ad Age* declares. *Ad Age* selected the company from a list of candidates considered to have carried an excellent year in marketing brilliance and strong business outcomes. "While it boasts the world's most valuable brand - and Coke has certainly been a success story with 3% volume growth worldwide - it also has a stable of smaller upstarts, and we've been impressed by how deftly it meets the marketing challenges of brands both big and small," said Abbey Klaassen, Editor of *Ad Age*. "Its advertising is consistently good," she resumes, "but the bigger marketing story is one of innovation at foodservice with Freestyle machines, with package design on brands such as Diet Coke, and in product development, such as Minute Maid Pulpy, its first billion-dollar brand launched in an emerging market. That we're awarding this honor the year Coca-Cola turns 125 is serendipitous, and coincidental, but proves that marketing innovation knows no age limit" (The Coca-Cola Company).

The Coca-Cola Company, the world's leading manufacturer in the beverage industry, established in 1886 by the pharmacist John Pemberton in Atlanta, USA. Today the company operates globally in more than 200 countries, with a portfolio of more than 3,500 beverages. From diet and regular sparkling beverages to still beverages such as 100 percent fruit juices and fruit drinks, waters, sports and energy drinks, teas and coffees, and milk-and soy-based beverages, Coca-Cola's selection spans the globe. The Coca-Cola Company currently has the number one spot in sales in the beverage industry. The increasing competition has led Coca-Cola to find new possible consumers and increase market share. The competition also has forced Coca-Cola to evolve old products. Coca-Cola has produced a variety of different soft drink flavors, some of them not as successful as others. For example, the flavored Coke's such as vanilla and cherry did not do very well. This explains why Coca-Cola creates rapid product launches. Coca-Cola comes out with new products on a yearly basis and comes off the shelves nearly as quickly as they come on. Coca-Cola's lack of success with new products comes from various reasons including poor advertising and timing of the advertisements. On the other hand, The Coca-Cola Zero was one of the most successful product launches in the company's history. In 2009, they sold more than 600 million cases globally. Their Success with Coke Zero has a lot to do with their advertising (The Coca-Cola Company, 2011).

Coca-Cola's duty solely stands to produce best quality products that will manage to inspire moments of enthusiasm while they target to refresh the whole world. The Coca-Cola Company uses effectively the marketing channels in cases like planning, pricing, promoting and distributing its products. The company has been operating successfully for over a century as it has carefully analyzed the internal and the external business environment, in order to follow the most suitable marketing strategies.

According to the company's website, The Coca-Cola Company offers safe, quality beverages, marketing those beverages responsibly and providing information consumers can

trust. The Coca-Cola Company has always taken seriously its duty to market maturely, across the globe, across all advertising media, and across all of their beverages. In 2010, The Coca-Cola Company developed their global Responsible Marketing Policy. The Company redefined the suitable audience level for children's programming from audiences more than 50% children younger than 12 years of age to audiences more than 35% children younger than 12. This means they will not buy advertising directly targeted at audiences more than 35% children younger than 12. Their policy applies to all of their beverages and the media outlets they use, including television, radio, print, and, where data becomes accessible such as Internet, and mobile phones (The Coca-Cola Company, 2011).

The Coca-Cola Company relies upon direct tactics including loyalty marketing, CRM, email, social, and digital. For example, Coca-Cola uses its website as a base for loyalty, email and database-building programs. For example, their site drives consumers directly into My Coke Rewards program, which gives buyers points to redeem for items that include books, magazines, and electronics. Coca-Cola, whose soda brands include Sprite and Fanta, lets its costumers to sign up for sweepstakes and offers from associate brands such as Nascar, Six Flags and Nike. 'My Coke Rewards' includes a marketing division as well, encouraging followers to help the National Park Foundation and the Hispanic Scholarship Fund. The brand likewise runs offers with Six Flags and T.G.I. Friday's (Washkuch, 2011).

Internet marketing has proven to be a profitable way for companies to launch products and shown to be worth to invest in even in a bad economy (Helft, 2008). Most Americans choose to spend their social media time with Facebook (Bazilian, 2011). That gives The Coca-Cola Company an edge and uses websites like Facebook, and Twitter to attract potential buyers. Coca-Cola tops in terms of popularity, with nearly 34 million fans and 360,000 Twitter followers, compared with Pepsi's 5.6 million Facebook fans and 120,000 Twitter followers. "I think in this day and age, corporations know how important it is to have a large

Facebook fan contingent — the number of Facebook fans is like your stock-market price these days," says Spyro Kourtis, president and CEO of Seattle-based agency Hacker Group.

The mixture to connect Coca-Cola's ads with special events and famous athletes made them penetrate the Internet market and shows that Coca-Cola does everything they can to move forward in the Internet marketing industry. On YouTube, Coca-Cola has uploaded videos with people on snowboards and performing incredible soccer tricks while drinking one of Coca-Cola's products. The use of video became increasingly meaningful in the past couple of years and in 2014, one third of all US ad spending will towards Internet marketing (Hallerman, 2011). With the use of advertising on YouTube, people can now watch their videos on their smartphones. This enables Coca-Cola to give loyal consumers a daily update of products and keep the product awareness on top. (Virzi, 2011)

Along with video's, Coca-Cola is aiming to increase advertising through mobile media. Coca-Cola and its competitors always have an eye out for new possible ways to reach out to the public. Coca-Cola is planning to reach out to costumers on their own cellular cell phones. Today people carry few things with them wherever they go and mobile phones endure as one of them (Clickz, 2011). Through YouTube, Coca-Cola can reach out to any person that owns a smartphone. According to Wendy Clark, senior VP-integrated marketing communications, and capabilities at the Coca-Cola Company, there exists 146 million pieces of Coca-Cola content on YouTube and of those 146 million, her company created only 26 million. Costumers created the rest of the Coca-Cola content on YouTube. Coca-Cola is not complaining about the use of their trademark, the company seems to like it. The days of monitoring the idea do not exist anymore. In the past, creating an impression was good enough, but in today's world, it will always be expression over impression (Boris, 2011).

Most companies think advertising on the Web has become a priority and a challenge for the ones not capable of marketing in the digital world (Laundry, 2007). Internet has

changed the relationship between Coca-Cola and customers and the Web as a medium has challenged traditional media. As the Web draws more viewers, it also draws advertisers who want to reach those viewers (Conlin, 2011). Coca-Cola managed in a successful way to advertise the Coca-Cola Zero campaign. One big part of Coca-Cola's campaign came from ads on social networks, which now have a broad fan base, and gives people a fix to be online. The need for companies, not only Americans, to be on social networks has proven itself from the 150 million Facebook mobile users. One third of the 150 million users visit Facebook while on bathroom breaks (Singer, 2011).

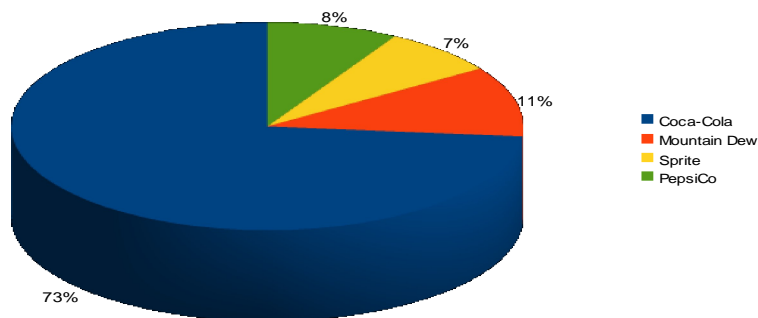
With a fan and action page on the different social networks Coca-Cola managed to expose this marketing campaign as a campaign for the people. A part of Coca-Cola's successful campaign came from advertising in social networks. The consumers had the chance to create the outline to a new flavor, choose the name, color and how the bottle should appear. "Marketing is less about pushing messages at consumers and more about co-creating experiences with consumers" (Laundry, 2007). This participatory marketing campaign proved a leap forward not just for Coca-Cola but also for the entire industry. Giving the power to the consumer became appealing to other brands in the market. "Now, it's no longer enough that these brand reps be outgoing, articulate, approachable, nice-looking and matches a target demo. Today's brand ambassadors are all that, plus they are tapped into a network of online friends and fans that they are willing to share with brands as they blog, tweet, post YouTube videos and update their social pages about products and marketing campaigns" (Heine, 2011). After the Coca-Cola Zero campaign, which broke records, Coca-Cola maintains as the number one soft-beverage industry in the world and will try so stay atop despite the growing competition arising.

Coca-Cola uses social networks functions as much as possible to deliver a unique experience and gain consumer input. Facebook has an intuitive "Like" button that users click

on any post the user likes. This gives companies input about products and gives users the convenience of not having to write a blog about it rather just clicking the mouse. This tool has become priceless to companies but does not give any exact specifics about what the consumer likes. Along with posts, Facebook has the option to make a fan page which if the user clicks the “Like” button he/she become a follower and anything that’s posted by that fan page will come up on his/her news feed. Facebook shows all the users friends that he/she has on the user’s personal network that they chose to “Like” Coca-Cola, which spreads like electricity across the world. Unfortunately, there are other companies utilizing these tools. Many other soft drink competitors have done the same but not as successful as Coca-Cola. Currently Coca-cola has roughly 34,000,000 followers on Facebook. This compares to Sprite who has about 3,100,000(product of Coca-Cola); Pepsi, Coca-Cola’s biggest rival with around 3,500,000. Coca-Cola leads the industry and leaders in innovative marketing through Internet marketing and the use of social networks.

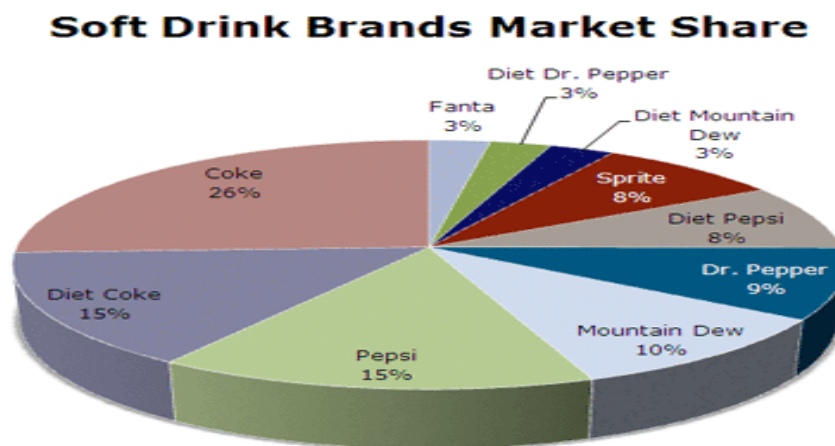
Facebook Fans

Graph by Daniel Ruiz. Data by All Facebook.com



Building a strong relationship with the consumers stands as the first goal for companies. Coca-Cola has established many relationships not just in the United States, but all

around the world. Coca-Cola stands as one of the top leading brands in the product industry. Coca-Cola receives millions of dollars in sales annually. Coca-Cola also spends millions of dollars annually advertising and marketing products in which most people around the world know. Coca-Cola keeps spending millions in advertising because they want to make sure that individuals think about them when they want something to drink. Coca-Cola wants people to think about their products when people walk into a store to buy something to drink (Conlin, 2011). Coca-Cola attracts consumers through all types of media, traditional, magazines, radio, TV, Internet, and cell phones in the near future. Coca-Cola over the years certainly stood out by its Ads on TV. Coca-Cola in the past years has changed their way of advertising innovating ideas such as Internet advertising. The Web draws more viewers; it also draws advertisers who want to reach those viewers (Conlin, 2011). Viewers stand as the key to success and links to a chain. How one viewer may like or not dislike a product or Ad and pass it on to another person became essential to companies like Coca-Cola.



Source: <http://www.accuval.net/>

Approximately 500 soft drink manufacturing and bottling companies produce in excess of 20.6 billion gallons of carbonated soft drinks annually. The three main players, Coca-Cola, PepsiCo and Dr. Pepper Snapple Group, account for over 80% of the domestic market share. Beverage-Digest explained that the top ten soft drink companies accounted for

\$73.9 billion in retail sales in 2009. Within these companies, Coke remains the brand of choice, trailed by Pepsi and Diet Coke, as shown in the chart.

As Internet advertising continues to increase, people use the Internet more for information. Coca-Cola used Internet marketing to reach as many people as possible and spread its product information. Coca-Cola's videos circulate from YouTube to other social network pages such as MySpace, Facebook, and Twitter.

Coca-Cola also relies on search engines and other sites that gather information about individuals. With this information, they can help advertisers find the best keywords and sites for placing their ads (Conlin, 2011). People can search Coca-Cola on Google, Yahoo, and other search based websites. Media companies are hunting for new ways to attract more people to the Websites for news, information, and entertainment. Search Engines are finding new ways of presenting its search results (Conlin, 2011). Google, the top main search engine, gives many opportunities for companies like Coca-Cola.

Coca-Cola will continue to evolve the soft drink industry with the ability to find new ways to market their products on the web. The essential factor for success with the marketing campaign brings innovation and consumer experience to the company. Coca-Cola relied on fans creativity and chose the best product for the company to produce, which effectively shows what the consumer wants and in essence creates good customer communication. Coca-Cola proves time after time that they have what it takes to stay atop a highly competitive market where brand marketing and product recognition plays a major role. Coca-Cola will continue to flourish and increase market share through campaigns and entertain fans with new marketing ideas. The Coca-Cola Company's innovation in Internet marketing can help the company maintain its success. By marketing on the Internet, the company's Ads can reach a larger group of audience and people who enjoy their products. In essence, by advertising on mobile devices, they can reach potential buyers anywhere on earth. In order for them to

outpace their competitors, their ideas need to be creative and exciting. Coca-Colas success over the decades comes from their genius advertising strategies and they will keep doing excellent with their new ideas.

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