

# Coca-Cola Optimizing Cyber Space

*By Kethwlyn Gomes*

Coca-Cola uses Internet marketing to promote new beverages. The company has more than 3,000 beverages from diet and regular drinks to fruit juices, water, sports and energy drink, tea, coffee, and milk-soy-based drinks. The immense sector of drinks makes it difficult to advertise all the soft drinks with conventional media. So, Coke chose Internet marketing as a substitute to advertise the products and to better target consumers precisely on its taste preferences. Based on one's personal online preferences Coca-Cola can distinguish between the extensive varieties of drink and which can be best suited for the person's taste. Coca-Cola also maintains a relationship with consumer via Internet marketing by using social networks and video sharing websites such as YouTube.

With minimal effort Coke can maintain a relationship with consumers by posting videos on YouTube showing latest trends or videos about the company creating an expectancy to consumers of what Coca-Cola is going to do next. By making a connection in someone's daily routine, Coca-Cola is able to relate to different aspects of one's life. The "Cola-Cola Happiness Machine" video, posted on YouTube shows a vending machine in the middle of college campus giving free soda as well food. The videos advertise people laughing and smiling over the machine, in the end, the message says, "Where will happiness strike next?" The company is creating an image that Coca-Cola can bring happiness. The message keeps the consumers alert to next videos. This video had 5,100,206 viewers, and only 734 people disliked, in other words .01

percent discord with the video. And the 734 people can become insightful to the company to better reached those people that rejected the message.

Such data information became a crucial method for Coca-Cola before choosing its ads choices and location. Coca-Cola's own web page; focus on the entertainment that the company is providing for consumers. In other words, an atmosphere of what the company can do to better one or the community. The "my Coke rewards" became an approach to redirect consumers to the company main web page and keep people wanting more. Coke also induces sales, when it advertise rewards online because to enter the rewards program consumers has to enter codes found on specially products. Partnering up with different companies such as Walmart, McDonalds, Dominos, and Nike to provide variety choices rewards and inter connecting these companies with Coca-Cola.

"Each year, Coca-Cola spends \$2.9 billion on advertising (more than Microsoft and Apple combined) even though 94% of people around the world recognize its red and white logo (Bashin, 2011). Once Coke spent that marketing budget entirely on traditional media. That has changed in the past 10 years. Coke is spending more of its marketing budget on Internet marketing. It has discovered that the Internet enables it to reinforce consumer awareness of the various Coca-Cola brands. For example, imagine seeing a person using the computer and a Coca-Cola video is playing on YouTube. Or how would a consumer react to a friend commenting, linking, or liking Coca-Cola on Facebook or tweeting about Coke's latest video or commercial. In effect, the Coke name or logo starts appearing in the consumer's personal life, thereby increasing brand awareness in a different environment, a task Coke has attempted for the past century.

Coca-Cola ranked number one in Top Brand name by Interbrand. The annual study evaluates the following criteria financial performance, how much the company influences the consumer's choice. Company and the ability to help its present earnings. Internet marketing became Coca-Cola's primary tool to influence consumers' decision, and its effort resulted in the most talked about it brand in the world.

The top ten brand: (The New York Times, 2012)

Top Name Brands	
1	Coca-Cola
2	Apple
3	I.B.M
4	Google
5	Microsoft
6	General Electric
7	McDonald's
8	Intel
9	Samsung
10	Toyota

(Brand Ranking, 2012)

Coca-Cola also chose Internet marketing as an alternative to Pepsi marketing strategies. The company also has an extensively line of soft drinks. As result, Pepsi promote online videos

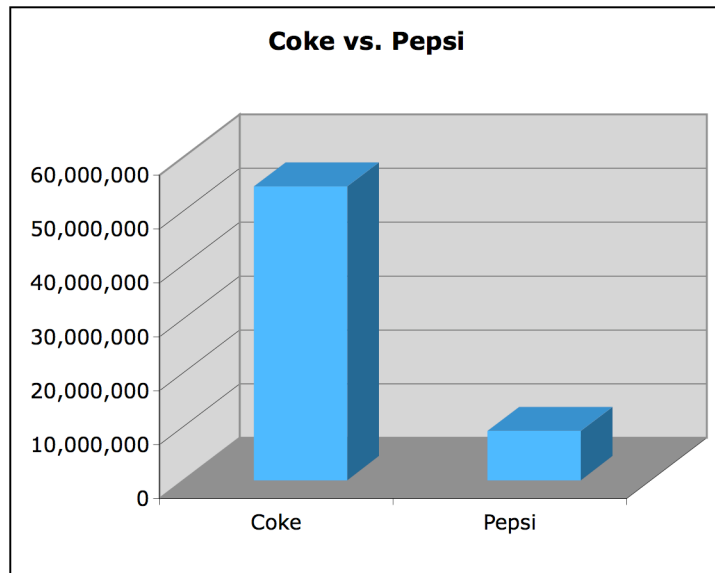
of Mountain Dew, but displays as “Uncle Drew” making a joke and a connection to draw a relationship between the PepsiCo. and consumer. Pepsi also make an aggressive move by partnering up with Twitter to features the drinks. “... Five-minute video from Davie Brown Entertainment debuts this week on the Viral Video Chart at No. 3 with 5.4 million views. It features NBA Rookie of the Year Kyrie Irving disguised as a sweatshirt-wearing, pot-belly-sporting elderly man named "Uncle Drew" who's attending an outdoors basketball game where his nephew is playing. When one of the players goes down with an injury, Uncle Drew takes the court and stuns everyone with a flurry of crossover dribbles, dunks, and three-point baskets, taunting his opponents all the while” ( Rey, 2012). Not only advertise the brand by making a connection, it also casting famous NBA player to participate as “Uncle Drew”. This type of strategy can affect Coke’s market share significantly because Mountain Dew can lead to other extensively Internet marketing program to lunched and feature other drinks. “Learning from customers: PepsiCo has used social networks to gather customer insights via its DEWmocracy promotions, which have led to the creation of new varieties of its Mountain Dew brand. Since 2008, the company has sold more than 36 million cases of them” (Divol, 2012). The more a consumer knows about a company the better off its product and relationship with the consumer. In an effort to off set Pepsi strategy Coca-Cola uses social networks (Twitter and Facebook) as a come back marketing plan.

In response to Pepsi’s strategy, Coke went into social media with more fan focus strategy. By localizing different tabs on Facebook to create compelling content to see what people is saying, and what people are doing. Because more people is turning to social media to communicate, socialize, and reviews products online with each other. Coke is taking advantage of this opportunity to target consumers. Internet Marketing helps Coke communicate with

today's consumers. Social networks like Facebook and Twitter sustain a faster and efficient method to send a direct message to consumers. Coca-Cola decided to take the consumer relationship to the next level, when the fan demonstration campaign launched Facebook.

“Through a new application on Coca-Cola's Facebook page fans can declare their commitment to help spread happiness and be a part of this global effort here. Once registered, fans will be invited to directly participate by influencing and shaping the ideas and rallying the larger community behind a social innovation. The Coca-Cola Company will support the selected concept and visionary behind the idea by providing access to teams that will help propel their solution. The ultimate outcome, to be piloted in 2013, could be a new invention, a cause or even a social application – something that can harness the connectivity of the Facebook community to spread happiness around the world” (Digital Strategy Consulting, 2012). Not only Coca-Cola is predicting the impact that it might cause, but also the benefits to the future. The company is spreading its brand name on Facebook as much as possible awareness campaign to fade “Uncle Drew” from the spot light. The buzz can develop new options to improve the product or create the Coca-Cola sensation.

The Following Graphic compares the popularity between Coca-Cola and Pepsi on Facebook as of 11/14/12 based on the numbers of likes by users of Facebook.



(Facebook/Coca-Cola, 2012 and Facebook/Pepsi, 2012)

Coca-Cola understands the value of communicating directly with the power of Facebook. Coke's interaction with consumers goes beyond the like button. Consumers have the ability to post comments on the wall (personal wall, company's wall, or being friends with companies) and posting pictures or videos of the product. And they become the company's fan and follow its product pages or join various community groups to discuss products. The company also connects with consumers by sharing information such as posts or pictures; instantly feed back with a simple click of a button "like".

Coca-Cola interacts on Twitter as person. Instead of using joke or funny names to its drinks like Pepsi, Coke decided to reach for a more person level towards consumers. The company uses photos and videos on twitter to interact with people. Expansive ranges of colors to inspire followers and #hashtag to spike insight and curiosity about the company latest trend. "Coca-Cola's use of different social networks for its dynamic and engaging campaigns. Storytelling is almost always at the forefront of these strategies, and the company's new Twitter

page is no different. Images of people enjoying Coca-Cola in different settings show fans and followers Coke is truly a soft drink for all seasons” (Brafton, 2012). By following other people social network and sending personal messages the company tries to integrate a personal relationship with consumers. As results tweets about a new drink recently launched, or #hashtag of the drink. These, features provided by the social networks enable Coca-Cola to talk back and listen to consumers. Direct tweets can reinforce a perspective about what consumers like or dislike about the product. The results enable marketing campaign to directly speak to consumers. This authentic connection between consumer and the company can impact the company’s future decision on its product line. “If insights from monitoring social media are relevant to nonmarketing functions such as product development, for instance, how will you identify and disseminate that information efficiently and effectively—and then ensure that it gets used? If you spot an opportunity to have a meaningful conversation with a key influencer, how will you quickly engage the right senior executive to follow through? If you recognize a fast-moving service concern, how will you respond rapidly and openly—and when should you do so outside the traditional service organization? Senior executives across the company must recognize and begin to answer such questions” (Divol, 2012).

Coca-Cola is trying to keep with generation transition. Consumer’s online behavior changes in the flow as technology changes. “Google made it easy for marketers and advertisers to find out who looked at what website (media) and when, giving marketers the opportunity to target their advertisements more effectively” (Conlin, 2012). The millennium generation has to become very dependent on mobile devices. And most people rely on smart phones and tablets to shop for superfluous items. “As opportunities for marketing on mobile devices and apps explode, Coca-Cola has increasingly focused on the development of mobile Web sites and

applications designed to harness the versatile capabilities available on the most widely used smart phone and tablet platforms on the market” (Butcher, 2011). Coca-Cola creates a different atmosphere to target people, not only through the computer, but also in a cell phone or table. As people depend more on cell phones for everyday use, giving the company a chance target at specific atmosphere such as house, school, shopping mall. These devices give one’s exactly location. It may seem harmless application and games, but the system has hints messages to remind consumer of the product and brand. By capturing target’s location, coke can also advertise by geographic area. For instance, based on a runner’s facebook profile that indicates the person’s daily exercise routine. Coco-Cola likely to adversities through the company app Vitamin Water or coconut water for this person; depending on its location the company might point the closest store that has the drink available for sale.

Coca-Cola is attracting a young generation through game for children, sending a direct message to a more youth crowd. On KibaGames.com, one can find approximately 220 games for Coca-Cola. As one may think that a child has no source of income, however, most children influencing parents’ decision when it comes to grocery shopping. Children “have power over spending in the household, they have power over the grandparents, they have power over the babysitters, and on and on and on,” said Professor McNeal, who has researched family behavior for decades and consulted for major companies on marketing to children. “All of that is finally being recognized and acknowledged” (Richtel, 2011). The disposable income towards grocery becomes target; coke uses games to remind children to buy soft drinks using games.

Even though Coca-Cola ranked number one top brand names by Interbrand, and also advertise more than Apple and Microsoft alone. Coke has and obstacle in the future that might



compromise its Internet marketing Platform. The issue deals with biggest software company Microsoft, which is planning to provide a new browser with the option “ do-not-track”.

Association of National Advertisers CEO Bob Liodice hasn't been shy about expressing his opposition to Microsoft's coming Internet Explorer 10 web browser, which will ship with a "do-not-track" feature as a default setting. The browser "will likely cause irreparable damage to the advertising industry," he said at the ANA annual meeting in Orlando, Fla” (Neff, 2012).

Although, search engine helps track consumer behavior, the computer needs to have browser that allows cookies to tracks the behavior. “The types of cookies (think of them as minute software programs) vary from those used to help an individual register at a site to those that track where an individual goes in cyberspace after he/she leaves a site. This information helps websites (also called publishers) to provide the marketing information that advertisers need in order to identify where best to place their advertising” (Conlin, 2012).

With all said, the new browser can significantly hurt Coca-Cola advertising plans, but other industries as well, if other browser decided to follow the same lead from Microsoft. Without the information from the track system Coke cannot directly consumers. Returning go conventional media “in an era when marketing executives lacked extensive data to target precisely their marketing/advertising efforts, they relied on the inspiration of creative departments, where writers, artists, and producers developed print, audio and video advertisement, Many outsiders considered these creative department as an ephemeral world litters with odd balls who found new ways of expressing old ideas. Oddball or not, these creative types dominated the world of advertising and marketing.” (Conlin, 2012). This presumption has become impossible to Coca-Cola, marketing program without direct engagement and data to monitoring of one’s preferences retaliating the company’s future plans.

The browser restricted Coca-Cola necessary information to identify the best website to place the ads, making it impractical to advertise all the company's drinks. The correlation between data track and behavioral consistency turned into Coke's Internet marketing primarily strategy. If the new browser becomes available Coca-Cola has to find another way to better connect with consumer via Internet marketing to the ones that choose to use the new browser. A favorable solution emerged as via mobile without the intervention from the browser.

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