

**ANALYSIS OF BRANDING, PRODUCT
DIFFERENTIATION AND MARKETING
SEGMENTATION OF A F&B COMPANY TO EMPLOY
A REGRESSION MODEL FOR ENHANCING THE
FOCUSED MARKET SIZE**

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THE COCA COLA COMPANY EXIST TO BENEFIT REFRESH EVERYONE IT TOUCHES, FOR MORE THAN CENTURY WE HAVE BEEN FULFILLING THIS PROMISE.

Since it's start in the spring of 1886, Coca-Cola has developed to end up the most perceived trademark ever. Working out of in excess of 195 nations around the world, Coca-Cola is the most mainstream refreshment on earth and is enjoyed over 773,000,000 times daily. The coke company is worlds leading manufacture and distributer of beverages.....

COMPANY PROFILE



Beginning

Coca-Cola, the world's most famous brand completed 119th year of its existence on 8th May this year. Today the company is an unquestionable leader in the world business of non-alcoholic beverages. Coca-Cola is the world's largest selling soft drink and arguably the most successful product ever marketed in the history of commerce. More than one billion serving of Coca-Cola products are consumed everyday around the world in more than 200 countries.

The Coca-Cola bottling system grew up with roots deeply planted in local communities. This heritage serves the company well today as consumers seek brands that honor local identity and the distinctiveness of local markets.

COCA COLA-INDIA

Coca Cola India is a part of the Asia Pacific Group that controls a large market for the company including India, China, Japan, and Australia.

India being a land of vast diversity & culture becomes a market to be handled with care for the company. The internal differences in the country force are the company to adopt altogether different approaches to manage the operations in different parts of the country.

The phenomenally large Indian population & the fact that India is the World's largest democracy with a large part of the population being the people belonging to the middle income group, makes the country a lucrative big potential market for the company. Thus the company has separate infrastructure built up for operation In India.

The country is divided into four zones, i.e.

- NORTHWEST ZONE.
- SOUTHWEST ZONE.
- SOUTHEAST ZONE.

➤ NORTHEAST ZONE.

The four metros i.e. Delhi, Kolkata, Mumbai & Chennai form the markets with the greatest potentials. The fact lies that Delhi generates greater sales for the Company than many countries in the World.

Thus the market in India is widespread over long distances ranging thousands of Kms. to serve them all becomes a challenging task & the supply has to be immediate.

A definitive targets of our business methodology are to build volume, extend a lot of worldwide nonalcoholic prepared to-drink refreshment deals, amplify our long haul money streams and make financial esteem included by enhancing monetary benefit.

The Coca-Cola framework has in excess of 16 million clients around the globe that offer or serve our items straightforwardly to customers.

OPERATING STRUCTURE

The Company's operating management structure consists of five geographic groups plus the Minute Maid Company.

The North American Group comprises the US and Canada.

The Latin America Group incorporates the Company's activities crosswise over Central and South America, from Mexico to the tip of Argentina. The Greater Europe Group extends from Greenland to Russia's Far East, including probably the most settled markets in Western Europe and the quickly developing countries of East and Central Europe.

The Africa and Middle East Group, the Company's most populated working gathering, incorporates the Middle East and the whole landmass of Africa. The Asia Pacific Group has tasks from India through the Pacific area including China, Japan and Australia.

The Minute Maid Company the Company's juice business - is located in Houston, Texas. It is the world's leading marketer of juices and juice drink.

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 conceptualization 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 conceptualisation 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 recently. 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 prepared to-drink tea and espresso accessible from the candy machine and not a powder/stuffed item. The organization is investigating the likelihood of bringing into India a portion of its tea/espresso brands moving in different nations. These incorporate Koo (tea mark, moving in Japan) and Georgia (for tea and espresso both). The dispatch is expressed for 2002-end or start of 2003. The cost would be Rs 4-5 for every container



Nearby, the organization intends to present a coconut-seasoned beverage in Kerala as a feature of its methodology to advance locale/network focused on enhanced beverages. The beverage will be estimated at Rs 10 for a 300-ml bottle. The dispatch of this coconut-seasoned beverage will be gone before by the presentation of a black currant enhanced beverage 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 2002 launch.

Coca-Cola India on October 14, reported development of its soda pops item portfolio with the dispatch of caffeinated drink Shock from one week from now. Release your evil side - that is the benchmark on which Coca-Cola India is at long last foraying the caffeinated drinks section with Shock.

Propelled in accordance with the organization's system of turning into a total, non-mixed refreshments organization, Shock is a carbonated beverage figured "to give the consumers a boost of energy".

The attack into caffeinated drinks showcase comes even as Coca-Cola India's appeal to for deferring the compulsory beginning open offer condition stipulated in its outside coordinated effort understanding has been apparently dismissed by the fund and industry services.

While the legislature is yet to take a last view on the issue, Coke's supplication that it has been making considerable misfortunes since its reentry into India in 1993 has not purportedly been acknowledged as reason enough by the two services to enable the soda pops monster to not strip stake for the Indian open.

The Economic Times, October, 15, 2001/The Financial Express, October 15, 2001

MAJOR PLAYERS AND MARKET SHARE



The two noteworthy worldwide players Pepsi and coca cola, which had enlarged up its India activities amid the presentation of the FERA routine, overwhelm the soda pop market in India. Returned India following 16 years after the fact in 1993.coca cola gained a noteworthy lump of the soda pop market by purchasing out nearby brands Thums Up, limca, gold spot from Parle refreshments .coca cola as of late obtained in oct'00 the dissemination privileges of these brands from IFB AGRO Limited .Pepsi despite the fact that began several years prior before coca cola in 1991,has lower piece of the overall industry today. it has purchased over Mumbai base dukes scope of soda pops brands. Both the cola makers think of their own market figures and guarantee to have expanded offer. Coke's figures depend on ORG'sdata while that of Pepsi depend on IMRB information..

MARKET SHARE:

Brand name	Market share (in %) ORG figures	Market share (in %) IMRB figures
Pepsi	41	49
Coca cola	57	48

Figures for the period of Jan –may'04

SEGMENTATION

The soda can be divided based on place of utilization or based on kind of items.

The division based on place of utilization isolates the market in to two sections: -

- On premise - 80% of consumption is on the premise i.e. restaurants, cinemas, etc.



- a) At home - the rest 20% of the market includes the soda pops acquired for utilization at home.

The market can likewise be divided based on kinds of items in to cola items and non-cola items

a) Cola items represent almost 61-62% of the absolute soda pops showcase. The brands that fall in this class are Coca-Cola, Pepsi, Thums up, Diet Coke, Diet Pepsi, and so forth

b) Non-cola portion which establishes 36% can be separated in to 4 classifications dependent on the kinds of available, namely: -

- **ORANGE**
- **CLOUDY LIME**
- **CLEAR LIME**
- **MANGO**

i) **Orange flavor based sodas contains around 17% of the market. The fragment is to a great extent commanded by national brands like Fanta of Coca cola, Mirinda of PepsiCo, which by and large frame 15% of the market.**

ii) **Cloudy lime: comprises 14% of the market and is to a great extent overwhelmed by Limca of Coca-Cola and Mirinda Lemon of PepsiCo. Limca is the market head with around 70-75% of the market pursued by Mirinda Lemon.**

iii) **Clear lime: this section of the market saw great development at first with every one of the players propelling their brands in the fragment. The brands accessible are sprite of coca cola and seven up of PepsiCo .The section comprises 3% of the absolute soda pops advertise.**

iv) **Mango: this flavor comprises 2% of the complete soda pops market and it specifically beats mango-based organic product drinks like fruity. The main brands in this section are Maaza of coca cola and cut of PepsiCo.**

