



## SWOT Analysis

### **STRENGTHS**

- **Brand Size and Global Recognition**

- The Coca-Cola Company is the world's largest total beverage company, offering more than 200 brands across over 200 countries and territories (Coca-Cola, 2025). Its extensive portfolio spans categories such as carbonated soft drinks, water, tea, energy drinks, and juice, allowing the company to meet diverse consumer preferences and adapt to evolving tastes. This breadth enables Coca-Cola to reduce dependency on a single product category and capture growth across multiple beverage segments, from indulgent to health-conscious choices.

- **Strong Brand Equity and Loyalty**

- As one of the most recognizable brands globally, Coca-Cola consistently ranks among the top in brand valuation. In Interbrand's Top 10 Global Brands of 2025 report, Coca-Cola is ranked No. 7, with a brand value of \$60.1 billion (Interbrand, 2025). Its deep emotional connection with consumers drives repeat purchases and has built one of the most loyal customer bases in the world.

- **Marketing Excellence and Cultural Relevance**

- Coca-Cola has demonstrated decades of marketing expertise through iconic campaigns like "Share a Coke" and "Real Magic" (Smartling, 2025). The brand's ability to evoke emotion and nostalgia, whether through celebrating friendship, togetherness, or the holidays, has cemented its cultural relevance. Coca-Cola's advertising even helped shape the modern image of Santa Claus (Coca-Cola, 2025), reinforcing its association with joy and tradition across generations, while successfully positioning Coca-Cola as both a

refreshing summer beverage and a nostalgic winter staple. This seasonal adaptability reinforces Coca-Cola's position as a go-to choice year-round and across generations.

## **WEAKNESSES**

- **Negative Perception Due to Unhealthy Products**

- Many consumers are unaware of Coca-Cola's broader portfolio beyond its flagship sodas, so healthier alternatives often go unnoticed. The brand is frequently criticized for the high sugar content in its carbonated beverages. Journalist Murray Carpenter explores this in his book *Sweet and Deadly*, stating that Coca-Cola has contributed to chronic disease while actively spreading disinformation to downplay the health risks associated with its sugary drinks (Carpenter, 2025). Some scientists even identify sugar-sweetened beverages as a major contributor to obesity, type 2 diabetes, and cardiovascular disease (American Scientist, 2025).

- **Environmental Impact and Negative Publicity**

- Coca-Cola's environmental footprint has drawn scrutiny. A 2024 study identified Coca-Cola as the top polluter of branded plastic in the environment, accounting for 11% of total pollution (Science Advances, 2024). Additionally, Oceana projects that Coca-Cola's plastic usage could exceed 9.1 billion pounds per year by 2030 if practices remain unchanged (Oceana, 2024). This ongoing environmental concern continues to generate negative publicity and puts pressure on the company to adopt more sustainable practices.

- **Heavy Reliance on Carbonated Soft Drinks**

- Although Coca-Cola has expanded its portfolio to include plant-based, functional, and non-alcoholic beverages, the brand is still primarily known for its carbonated soft drinks, which continue to drive the majority of its profits (AI Invest, 2025). While a 29%

increase in sales of non-alcoholic alternatives signals growing consumer interest in wellness, the company's dependence on sugary carbonated drinks, which are targeted by sugar taxes and public health campaigns, remains a significant vulnerability.

## **OPPORTUNITIES**

- **Gen Z Interest in Mental Health and Lifestyle-Driven Merchandise**
  - Gen Z consumers show strong engagement with brands that promote mental health, wellness, and lifestyle values. Rising interest in mental health-positive lifestyle brands represents an external trend that Coca-Cola could leverage to connect with younger audiences and strengthen brand relevance. As the World Economic Forum notes, “Gen Z isn’t asking others to solve the problem for them. They want to co-create and lead together. They see mental health as a collective responsibility and are calling for a seat at the table — at the head of the table — alongside business, government and civil society” (World Economic Forum, 2024).
- **Rising Consumer Focus on Sustainability and Climate Action**
  - Public awareness and activism around climate change and environmental sustainability continue to grow. Consumers increasingly favor brands that demonstrate eco-conscious practices, making it essential for Coca-Cola to highlight its efforts in sustainable packaging, water stewardship, and carbon footprint reduction. In fact, “74% of consumers say their concerns over environmental impact influence their purchasing decisions, and 79% want an easier way to identify environmentally friendly companies” (Plastic Bank, 2024).
- **Leveraging Short-Form Social Media and Influencer Marketing**
  - Consumers are spending more time on short-form video content on platforms like TikTok, Instagram Reels, and YouTube Shorts. “Day-in-the-life” videos and influencer-led product features are driving awareness, purchase intent, and cultural

relevance. Short-form videos capture attention quickly, encourage higher engagement, are algorithm-friendly, have low production costs, and can be repurposed across platforms.

This presents an opportunity for Coca-Cola to partner with creators to showcase products authentically, engage younger and broader audiences, and maintain cultural relevance in a competitive beverage market (U.S. Data Corporation, 2025).

## **THREATS**

- **Growing Demand for Healthier Sodas**

- Consumers are increasingly moving from traditional sodas to better-for-you beverages. A recent article on the rise of brands like Poppi and OLIPOP notes that “Growing concerns about sugar overload, artificial sweeteners, and an utter lack of nutritional value have made even the most devoted soda fans second-guess their nostalgic choices” (Bevi, 2025). This trend threatens Coca-Cola’s core carbonated beverage business and risks eroding relevance and market share among younger and health-conscious consumers.

- **Expanding Marketing Restrictions to Children**

- Policies limiting the advertising of sugary drinks to kids and teens are becoming more widespread, posing a real challenge for Coca-Cola’s ability to reach younger audiences. As the World Health Organization notes, “Aggressive and pervasive marketing of foods and beverages high in fats, sugars and salt to children is responsible for unhealthy dietary choices... Governments should establish strong and comprehensive regulations” (World Health Organization, 2023). With growing global pressure for stricter marketing rules, Coca-Cola risks losing early brand connection and long-term loyalty if it doesn’t adapt its marketing strategy and product innovation.

- **Rising Pressure on Water Resources and Resource Management**

- As climate change intensifies and water scarcity becomes a growing global concern, Coca-Cola faces increasing scrutiny over its water usage and impact on local

communities. In drought-stricken regions like Chiapas, Mexico, reports have revealed that a Coca-Cola bottling plant extracts over 300,000 gallons of water per day while residents struggle with limited access, prompting backlash and public frustration (The Cool Down, 2025). This heightened awareness and criticism surrounding water management practices pose reputational and regulatory risks for Coca-Cola, while potentially increasing operational costs and pressure to strengthen its sustainability commitments.

#### *STRATEGIC INSIGHTS:*

- **Expand Health-Focused Beverage Portfolio**
  - **Rationale:** Rising consumer demand for better-for-you drinks, highlighted by brands like Poppi and OLIPOP, threatens Coca-Cola's carbonated beverage dominance. Expanding and promoting its plant-based, functional, and low-sugar offerings aligns the brand with wellness trends, captures health-conscious consumers, and maintains relevance across various age groups.
  - **Success Metrics:** Increase in non-carbonated beverage sales, growth in market share for functional and wellness categories, positive consumer sentiment tracked via social listening.
- **Engage Gen Z Through Lifestyle and Mental Health Initiatives**
  - **Rationale:** Gen Z values mental health and socially responsible brands. Implementing merchandise collaborations, lifestyle campaigns, and wellness-focused activations creates authentic engagement and strengthens emotional connections with younger audiences.
  - **Success Metrics:** Engagement rates and impressions on Gen Z-targeted campaigns, merchandise sales, and brand affinity metrics among Gen Z segments.
- **Amplified Sustainability Marketing and Reporting Campaign**

- **Rationale:** While Coca-Cola has ongoing sustainability programs, it can more effectively communicate these efforts to strengthen brand perception and counter negative publicity. Highlighting initiatives in sustainable packaging, water stewardship, and carbon footprint reduction reinforces its commitment to environmental responsibility, resonates with socially conscious consumers, and differentiates the brand in a competitive beverage market.
- **Success Metrics:** Increase in positive media coverage, improved brand perception scores regarding environmental responsibility, measurable engagement on sustainability content across social channels, and recognition in sustainability rankings or awards.