Name:	

Before you watch this, be sure to click here to watch <u>The Disturbing Story of Coco Chanel or https://youtu.be/_F3DKbUf8uM?si=5bPq_xJQaYOW3ITv</u>.

Click the link to go to <u>The Disturbing History of Coca-Cola</u> or to https://youtu.be/ELu8y6eK-Og?si=X3XZ06SLvpvfHLHy. Follow along and fill out the questions as you go.

Terms:

Advertising Sales Free Trial Entrepreneurship Patent Ban

Recalls Monopoly Market Share

Distribution Costs Contracts Shares

Competition Prohibition

Key Characters:

John Pebberton Frank Robinson Asa Candler Benjamin and Joseph

Inquiring Questions:

How did Coke become one of the most recognized brands ever? And at what cost?

Chapter 1 - How Coke Really Began

- 1. What occurred around the 1880s that caused many people to go looking for medicinal home remedies (alternative, typically natural remedies to illnesses)?
- 2. What occurred around 1886 as a setback to John Pemberton's (initial creator of the original Coke product) initial product introduction?
- 3. What were the two original ingredients in John Pemberton's Coke Product?
- 4. What ingredients were added in as a result of the prohibition that forced Pemberton to remove that ingredient?
- 5. How was Coke initially promoted as a cure for headaches, upset stomachs and as a brain tonic?

Chapter 2 - The Spectacular Rise of Coca-Cola

- 6. John Pemberton died and Asa Candler took over ownership of the Coca-Cola business. What early marketing techniques and strategies did Candler use to sell the product?
- 7. What was his next major marketing move and what motivated this move? What were his intentions?
- 8. Coke was initially sold to a particular target market and for medicinal purposes. How did the strategy change and to what particular target market?
- 9. What legal burden did they (Coke company) eliminate changing from medicinal purposes to an enjoyable beverage?
- 10. Who did Coke use at this point to further market the product after this major change and marketing strategy?
- 11. Chapter 2 lists a few business and marketing strategies used early on for the company. List two of these strategies:
- 12. How was Coke initially distributed and why was this beneficial?
- 13. Benjamin and Joseph, two lawyers struck up a deal/contract with Candler, introducing a new method for distribution. What did they propose as a method of distribution?

Chapter 3 - The Lucrative Business of War

- 14. Which big event did Coke take advantage of and see soaring success and profits?
- 15. Who did Coke lobby to eliminate interruptions in business and to better position themselves over other businesses who failed as a result of the war? And what strategies did this group help them overcome?
- 16. What was Max Kieth's solution to Coke's relationship and distribution restrictions to Nazi Germany during the war?

Chapter 4 - Coca-Cola's Secrets

- 17. Coke's next big marketing strategy is to enter the schools explain why. Their goal, assumed motivations.
- 18. Why would the schools have been incentivized to strike up these deals with Coke?

- 19. Coke comes under attack as selling a product that causes health concerns such as obesity, teeth issues, diabetes and eventually accusations of cancer. Coke was said to have a mantra, slogan or belief about how to proceed and handle this. What was that mantra?
- 20. Chapter 4 further explains how Coke lobbied politicians to further their success. In what ways or what deals were suggested?
- 21. What product did Coke introduce to attempt to divert the public's growing belief that Coke was an unhealthy product?
- 22. Mexico's President was formerly the head of Coke Mexico, overseeing this branch of Coke. Although speculation how did this relationship eventually benefit Coke?

Chapter 5 - The Greatest Disaster

- 23. What competitor did Coke have several opportunities to purchase at a relatively low price?
- 24. Pepsi and Coke would eventually have a market share battle that resulted in both companies using price cuts to have the upperhand. As this battle subsided, what marketing strategy did Pepsi eventually use to receive the upper hand and obtain a higher percentage of the market share?
- 25. As a result of this (question 24) Coke reinvented their product with new ingredients that even proved to be preferred in taste to both the original Coke and to Pepsi. However, how did this campaign end in introducing the New Coke product?
- 26. Original Coke was reintroduced back into the market. How was it said that the public responded?
- 27. In the end, why was it speculated that people were so eager to have the original Coke back regardless of it being the preferred drink over Pepsi and New Coke.

ANSWER KEY:

Chapter 1 - How Coke Really Began

 What occurred around the 1880s that caused many people to go looking for medicinal home remedies (alternative, typically natural remedies to illnesses)? Backlash against doctors

- 2. What occurred around 1886 as a setback to John Pemberton's (initial creator of the original Coke product) initial product introduction? The prohibition, banning of alcohol which included wine, one of the original ingredients in his coke product
- 3. What were the two original ingredients in John Pemberton's Coke Product? *Wine and cocaine*
- 4. What ingredients were added in as a result of the prohibition that forced Pemberton to remove that ingredient? *Carbonated water and LOT'S of sugar*
- 5. How was Coke initially promoted as a cure for headaches, upset stomachs and as a brain tonic? *For medicinal purposes as a remedy in place of traditional medicine*

Chapter 2 - The Spectacular Rise of Coca-Cola

- 6. John Pemberton died and Asa Candler took over ownership of the Coca-Cola business. What early marketing techniques and strategies did Candler use to sell the product?

 Billboards, banners, placards, painted barns, posted the logo everywhere
- 7. What was his next major marketing move and what motivated this move? What were his intentions? Contact local pharmacies to obtain their customer list and to send a "free sample" coupon create an "addicted customer for life."
- 8. Coke was initially sold to a particular target market and for medicinal purposes. How did the strategy change and to what particular target market? *Market to everyone and market now as a tasty, relaxing drink*
- 9. What legal burden did they (Coke company) eliminate changing from medicinal purposes to an enjoyable beverage? *Medical patenting requirements for products that were not a requirement of beverage products*
- 10. Who did Coke use at this point to further market the product after this major change and marketing strategy? *Movie stars and athletes.*
- 11. Chapter 2 lists a few business and marketing strategies used early on for the company. List two of these strategies:
 - Santa holding a Coke target young children
 - Sex sells Coke girls
 - Ad placement analyze car traffic and grocery store movement to determine best location for advertising and signs
 - New technology commercials

- 12. How was Coke initially distributed and why was this beneficial? **As fountain drinks. This was a cheaper, more cost effective**
- 13. Benjamin and Joseph, two lawyers struck up a deal/contract with Candler, introducing a new method for distribution. What did they propose as a method of distribution? **Bottle the product**

Chapter 3 - The Lucrative Business of War

- 14. Which big event did Coke take advantage of and see soaring success and profits? **WWII, World War II**
- 15. Who did Coke lobby to eliminate interruptions in business and to better position themselves over other businesses who failed as a result of the war? And what strategies did this group help them overcome? *The government and sugar rations, money to set shops and factories up overseas*
- 16. What was Max Kieth's solution to Coke's relationship and distribution restrictions to Nazi Germany during the war? *The creation of Fanta*

Chapter 4 - Coca-Cola's Secrets

- 17. Coke's next big marketing strategy is to enter the schools explain why. Their goal, assumed motivations. *Create a lifetime customer, "get the young" meaning create customers early on, it's a vulnerable age and easily influenced*
- 18. Why would the schools have been incentivized to strike up these deals with Coke? *Most schools were lacking funds and Coke offered financial incentives to place vending machines in them*
- 19. Coke comes under attack as selling a product that causes health concerns such as obesity, teeth issues, diabetes and eventually accusations of cancer. Coke was said to have a mantra, slogan or belief about how to proceed and handle this. What was that mantra? It is easier to cast doubt on the science than to debate on policies. Coke argued that more research was needed and poured hundreds of thousands of dollars casting doubt into health concern connections
- 20. Chapter 4 further explains how Coke lobbied politicians to further their success. In what ways or what deals were suggested? **Sugar taxes, deals behind closed doors**
- 21. What product did Coke introduce to attempt to divert the public's growing belief that Coke was an unhealthy product? *The introduction of Dasani water*

22. Mexico's President was formerly the head of Coke Mexico, overseeing this branch of Coke. Although speculation how did this relationship eventually benefit Coke?

Favorable treatment, 27 water concessions, increased sales by 50%

Chapter 5 - The Greatest Disaster

- 23. What competitor did Coke have several opportunities to purchase at a relatively low price? *Pepsi*
- 24. Pepsi and Coke would eventually have a market share battle that resulted in both companies using price cuts to have the upperhand. As this battle subsided, what marketing strategy did Pepsi eventually use to receive the upper hand and obtain a higher percentage of the market share? Taste testing where Pepsi came out on top each time for the preferred drink over Coke. Pepsi would eventually use this strategy to advertise the results to the public.
- 25. As a result of this (question 24) Coke reinvented their product with new ingredients that even proved to be preferred in taste to both the original Coke and to Pepsi. However, how did this campaign end in introducing the New Coke product? *People were infuriated, refusing to buy the product, and to voice their complaints at an enormous level to Coke Company. This would cause Coke to lose more market share as people revolted and protested the new product*
- 26. Original Coke was reintroduced back into the market. How was it said that the public responded? One spokesperson for Coke described the response as if "they (Coke) had invented a cure for cancer." People welcomed the original Coke back with arms wide open
- 27. In the end, why was it speculated that people were so eager to have the original Coke back regardless of it being the preferred drink over Pepsi and New Coke. The image Coke had created and realizing that it's not what your product is but what your customer THINKS your product represents. Coke had spent billions of marketing dollars creating this image, selling Coke under the image of "the good times," and "time spent with old friends," Coke created a feeling of nostalgia that the public wanted back. An image of a product that, it is "Your Right to Choose."