

**NEAR EAST UNIVERSITY**  
**FACULTY OF ECONOMICS AND ADMINISTRATIVE SCIENCES**  
**DEPARTMENT OF BUSINESS ADMINISTRATION**



**THE GLOCALISATION OF A GLOBAL PRODUCT**  
**(THE COCA COLA COMPANY IN TURKEY)**

**MAN 400**  
**GRADUATION PROJECT**

**SUBMITTED BY: BELKIS GÜLEN ÇELİK (980428 / BUSS)**

**SUBMITTED TO : ASST. PROF. DR. AHMET ERTUGAN**

**JUNE 2004**

**LEFKOŞA**

## **ACKNOWLEDGEMENTS**

I thank managerial staff of Near East University Economics & Administrative Sciences department and lecturers, for the time they shared with me for my education, I would like to thank my supervisor, Mr.Ertugan, who generously spent his efforts to help me finish my project. I wish luck and success for my friends who graduated, for the rest of their life and I sent my deepest thanks to my family who provided a good environment for me to study in this university.

# TABLE OF CONTENTS

<b>Contents</b>	<b>Page no</b>
<b>Section 1</b>	
1.1 Introduction	1
1.2 The problem situation	1
1.3 The Problem statement	3
1.4 The Purpose of the Study	3
1.5 Research Objectives	3
1.6 Methodology	4
1.7 The Scope of the Study	4
1.8 The Sections of the Study	5
1.9 Conclusion	5
<b>Section 2 Literature Review</b>	
2.1 Introduction	6
2.2 Global Marketing: What It Is And What It Is Not	6
2.3 Marketing Mix Elements and Strategies	12
2.4 Conclusion	14
<b>Section 3 The Coca Cola Company</b>	
3.1 Introduction	15
3.2 The Coca Cola Company's General Positions	15
3.3 The Coca Cola Company In Turkey	18
3.4 Conclusion	27

## **Section 4 Major Findings**

4.1	Introduction	28
4.2	Lists Of Findings	28
4.3	Conclusion	29

## **Section 5 Conclusion**

5.1	Introduction	30
5.2	Conclusion	30

<b>References</b>	<b>33</b>
-------------------	-----------

## **Appendix**

## ABSTRACT

Global market is existed by the result of globalisation activities, and create it's own marketing strategies. The companies don't try to protect only product quality and market shares. Nowadays companies want to activate the concept, which is more useful for globalisation, "Think Global, Act Local". They want to guarantee their future existence from the effects of variables political and economic circumstances.

By all these The Coca Cola Company's Turkey activities may be the best sample. The company has achieved the goal of think and act local without gives concession from global values. To gain sympathy by the activities also increased the market shares and guarantee the future existence.

This study examines The Coca Cola Company's Turkey sample at the starting point of "Think Global, Act Local" strategy from the main global marketing principles.

At the conclusion of the study The Coca Cola Company has own all the characteristics of getting localisation. The Coca Cola Company interpreted all the known global marketing strategies and adapts them into the most useful form for the company.

# **SECTION 1**

## **INTRODUCTION**

### **1.1 Introduction**

This section introduces the general definitions and arguments on global marketing. It formulates the problem statement and the general aim of the project. The project objectives are listed followed by methodology designed to achieve them. The limitations of the project and the explanations on the remaining sections are then provided.

### **1.2 The problem situation**

The foundation for a successful global marketing program is a sound understanding of the marketing discipline. Marketing is the process of focusing the resources and objectives of an organisation on environmental opportunities and needs. The first and most fundamental fact about marketing is that it is a universal discipline. Marketing is a set of concepts, tools, theories, practices and procedures, and experiences. Together, these elements constitute a teachable and learnable body of knowledge.

Although the marketing discipline is universal, markets and customers are quite differently led. This means that marketing practice must vary from country to country. Each person is unique, and each country is unique. This reality of differences means that we cannot always directly apply experience from one country to another. If the customer, competitors, channels of distribution, and available media are different, it may be necessary to change our marketing plan.



Companies who do not appreciate this fact will soon learn about it if they transfer irrelevant experience from one country or region to another. Nestle, for example, sought to transfer its great success with a four-flavour coffee line from Europe to the United States. Its U.S. competitors were delighted: The transfer led to a decline of 1 percent in U.S. market share. An important task in global marketing is learning to recognize the extent to which marketing plans and programs can be extended worldwide, as well as the extent to which they must be adapted (Keegan, 2002).

Much of the controversy about global marketing dates to Professor Theodore Levitt's 1983 seminal article in the Harvard Business Review, "The Globalisation of Markets". Professor Levitt argued that marketers were confronted with a "homogenous global village". Levitt advised organizations to develop standardized, high-quality world products and market them around the globe using standardized advertising, pricing, and distribution. Some well-publicized failures by Parker Pen and other companies seeking to follow Levitt's advice brought his proposals into question. The business press frequently quoted industry observers who disputed Levitt's views. For example, Carl Spielvogel, chairman and CEO of the Backer Spielvogel Bates Worldwide advertising agency, told The Wall Street Journal, "Theodore Levitt's comment about the world becoming homogenized is bunk. There are about two products that lend themselves to global marketing-and one of them is Coca-Cola" (Lipman, 1988).

### **1.3 The Problem Statement**

Globalisation views world markets as homogeneous and suggests standardised products to increase profits based on economies of scale. In practice, however, differences in country market segments exist and hence the slogan, "Think global, act local" is increasingly used by firms who adjust their marketing mix elements and strategies for local needs while trying to maintain a global position.

### **1.4 The Purpose of the Study**

This is an explorative study with a main purpose to explain the slogan; "Think global, act local" in terms of marketing mix elements and strategies applied by international firms.

### **1.5 Research Objectives**

- To explain the meaning of a global market and marketing
- To explain the relationship between globalisation and localisation in marketing terms
- To discuss to importance of localisation for marketing
- To identify the reasons behind the need for the global products to pursue localised strategies
- To identify and present a case example to global localisation in marketing products
- To identify and list theoretical explanations suggested in the literature for the localisation activities pursued by the selected case example



## **1.6 Methodology**

The following steps and methods were used by this study in reaching its stated objectives.

- 1.6.1 Literature review was carried out to find arguments on the meaning of the term globalisation, localisation and the globalised / localised strategies as described in marketing terms.
- 1.6.2 Literature review was also carried out to provide a basic definition to the marketing mix, its elements and strategies.
- 1.6.3 The Coca-Cola Company and its marketing operations in Turkey were selected to study the localised marketing efforts of the world's leading brand.
- 1.6.4 The findings on the Coca-Cola Company were collected over a period thus making the study a longitudinal activity.
- 1.6.5 The case findings and the theoretical findings were listed and argued in conclusion for the purpose of this study.

## **1.7 The Scope of the Study**

This is a case study of a particular situation in a given period and will not be compared to experiences in different situations at different locations and periods in time. Therefore, the external validity of the study will not be discussed. The case information on the company selected will focus on the marketing efforts of the selected case

company over a decided period and will ignore the other internal and external factors in the case situation.

## **1.8 The Sections of the Study**

This study is comprised of 5 sections including this introductory section. Section 2 is the literature review on the globalisation of markets and the basics of the marketing mix elements and strategy. The case company, Coca Cola, information and its promotion campaigns in Turkey are detailed in section 3. The theoretical and the observational findings will be listed in section 4. Finally, the section 5 will include the concluding arguments and the study's responses on the initial objectives set.

## **1.9 Conclusion**

This section explained the general definitions and arguments on global marketing and provided the problem statement and the general aim of the project. In addition, it listed the project objectives and methodology. Finally, it explained the limitations of the project. Next section will be literature review on global marketing and the marketing mix concept.

## **SECTION 2**

### **LITERATURE REVIEW**

#### **2.1 Introduction**

This section has literature review of global marketing and marketing mix. Literature review explains global marketing and marketing mix, and how they come to exist and grow.

#### **2.2 Global Marketing: What It Is And What It Is Not**

The foundation for a successful global marketing program is a sound understanding of the marketing discipline. Marketing is the process of focusing the resources and objectives of an organisation on environmental opportunities and needs. The first and most fundamental fact about marketing is that it is a universal discipline. Marketing is a set of concepts, tools, theories, practices and procedures, and experiences. Together, these elements constitute a teachable and learnable body of knowledge.

Although the marketing discipline is universal, markets and customers are quite differently led. This means that marketing practice must vary from country to country. Each person is unique, and each country is unique. This reality of differences means that we cannot always directly apply experience from one country to another.

If the customer, competitors, channels of distribution, and available media are different, it may be necessary to change our marketing plan.

Companies who do not appreciate this fact will soon learn about it if they transfer irrelevant experience from one country or region to another. Nestle, for example, sought to transfer its great success with a four-flavour coffee line from Europe to the United States. Its U.S. competitors were delighted: The transfer led to a decline of 1 percent in U.S. market share. An important task in global marketing is learning to recognize the extent to which marketing plans and programs can be extended worldwide, as well as the extent to which they must be adapted (Keegan, 2002).

Much of the controversy about global marketing dates to Professor Theodore Levitt's 1983 seminal article in the *Harvard Business Review*, "The Globalisation of Markets". Professor Levitt argued that marketers were confronted with a "homogenous global village." Levitt advised organizations to develop standardized, high-quality world products and market them around the globe using standardized advertising, pricing, and distribution. Some well-publicized failures by Parker Pen and other companies seeking to follow Levitt's advice brought his proposals into question. The business press frequently quoted industry observers who disputed Levitt's views. For example, Carl Spielvogel, chairman and CEO of the Backer Spielvogel Bates Worldwide advertising agency, told *The Wall Street Journal*, "Theodore Levitt's comment about the world becoming homogenized is bunk. There are about two products that lend themselves to global marketing-and one of them is Coca-Cola" (Lipman, 1988).

Indeed, it was global marketing that made coke a worldwide success. However, that success was not based on a total standardization of marketing mix elements. In his book, *The Borderless World*, Kenichi Ohmae explains that Coke's success in Japan could be achieved only by spending a great deal of time and money becoming an insider. That is, the company built a complete local infrastructure with its sales force and vending machine operations. Coke's success in Japan, according to Ohmae, was a function of its ability to achieve "global localization," the ability to be as much of an insider as a local company but still reap the benefits that result from world-scale operations.

What does the phrase global localization really mean? In a nutshell, it means a successful global marketer must have the ability to "think globally and act locally." Global marketing may include a combination of standard (e.g. the actual product itself) and non-standard (e.g.. distribution or packaging) approaches. A "global product" may be "the same" product everywhere and yet "different." Global marketing requires marketers to behave in a way that is global and local at the same time by responding to similarities and differences in world markets.

As the Coca-Cola Company has demonstrated, the ability to think globally and act locally can be a source of competitive advantage. By adapting sales promotion, distribution, and customer service efforts to local needs. Coke established such strong brand preference that the company claims a 78 percent share of the soft-drink market in Japan. At first, Coca-Cola managers did not understand the Japanese distribution system.



However, with considerable investment of time and money, they succeeded in establishing a sales force that was as effective in Japan as it was in the United States. To complement Coke sales, the Japanese unit has created products such as Georgia-brand canned coffee and Lactia, a lactic, no carbonated soft drink that promotes healthy digestion and quick refreshment expressly for the Japanese market.

Coke is a product embodying marketing mix elements that are both global and local in nature. The global marketing is a "knee-jerk" attempt to impose a totally standardized approach to marketing around the world. A central issue in global marketing is how to tailor the global marketing concept to fit a particular product or business. Finally, it is necessary to understand that global marketing does not mean entering every country in the world. Global marketing does mean widening business horizons to encompass the world when scanning for opportunity and threat. The decision to enter markets outside the home country depends on a company's resources, managerial mind-set, and the nature of opportunity and threat. The Coca-Cola Company's soft-drink products are distributed in almost 200 countries; in fact, the theme of a recent annual report was "A Global Business System Dedicated to Customer Service." Coke is the best-known, strongest brand in the world; its enviable global position has resulted in part from the Coca-Cola Company's willingness and ability to back its flagship product with a strong local marketing effort. Although the ubiquitous red-and-white Coca-Cola symbol is available globally, the company also produces over 200 other non-alcoholic beverages to suit local beverage preferences.



A number of other companies have successfully pursued global marketing by creating strong global brands. Philip Morris, for example, has made Marlboro the number-one cigarette brand in the world. In automobiles, Daimler Chrysler has gained global recognition for its Mercedes nameplate, as has its competitor, Bayerische Motoren Werke Aktiengesellschaft, Munich for its nameplate BMW automobiles and motorcycles.

However, as shown in Table 1-1, global marketing strategies can also be based on product or system design, product positioning, packaging, distribution, customer service, and sourcing considerations. For example, McDonald's has designed a restaurant system that can be set up virtually anywhere in the world. Like Coca-Cola, McDonald's also customizes its menu offerings in accordance with local eating customs. In Jakarta, Indonesia, for example, McDonald's is upscale dining. It is the place to be and to be seen in Jakarta. Cisco Systems, which makes local area network routers that allow computers to communicate with each other, designs new products that can be programmed to operate under virtually any conditions in the world (Miles, 1995).

Unilever uses a teddy bear in various world markets to communicate the benefits of the company's fabric softener. Harley-Davidson's motorcycles are positioned around the world as the all-American bike. Gillette uses the same packaging for its flagship Sensor razor everywhere in the world. Italy's Benetton utilizes a sophisticated distribution system to quickly deliver the latest fashions to its worldwide network of stores.

The backbone of Caterpillar's global success is a network of dealers that supports a promise of "24 hour parts and service" anywhere in the world. The success of Honda and Toyota in world markets was initially based on exporting cars from factories in Japan. Now, both companies have invested in manufacturing facilities in the United States and other countries from which they export. In 1994, Honda earned the distinction of being the number-one exporter of cars from the United States by shipping more than 100,000 Accords and Civics to Japan and 35 other countries. Gap focuses its marketing effort on the United States but relies on apparel factories in low-wage countries to supply most of its clothing.

The particular approach to global marketing that a company adopts will depend on industry conditions and its source or sources of competitive advantage. Should Harley-Davidson start manufacturing motorcycles in a low-wage country such as Mexico or China? Will U.S. consumers continue to snap up U.S.-built Toyotas? The answer to these questions is: "It all depends." Because Harley's competitive advantage is based in part, on its "Made in the U.S.A." positioning, shifting production outside the United States is not advisable at this time. Toyota's success in the United States is partly attributable to its ability to transfer world-class manufacturing skills to the United States while using advertising to stress that Americans build its Camry, with many components purchased in the United States.

Toyota has positioned itself as a global brand independent of any country-of-origin link. A Toyota is a Toyota wherever it is made. The same thing is true for thousands of companies that have successfully positioned their brand independent of country of origin.

A Harley-Davidson motorcycle made in China would shock Harley buyers: The brand at this stage of its development is linked to a single country of origin, the United States.

### 2.3 Marketing Mix Elements and Strategies

The classical framework of marketing processes the marketing activities stem from Product, Price, Promotion, Place usually known as 4 "Ps" of marketing. Generally speaking, the so-called "marketing mix", which acts as a guideline for marketers to implement a marketing concept. It consists of a set of major decision areas that a company needs to manage in order to at least satisfy consumer needs. According to Kotler et al. (1999) the mix is a set of "controllable tactical marketing tools that the firm blends to produce the response it wants in the target market". Hence, in an effective marketing programme all of those elements are "mixed" to successfully achieve the company's marketing objectives.

The traditional marketing mix contains of four major elements, the "4-Ps of marketing". As defined by Kotler et al. (1999):

1. **Product:** "Anything that can be offered to a market for attention, acquisition, use or consumption that might satisfy a want or need. In includes physical objects, services, persons, places, organizations and ideas."
2. **Price:** "The amount of money charged for a product or service, or the sum of the values that consumers exchange for the benefits of having or using the product or service."

3. **Promotion:** "Activities that communicate the product or service and its merits to target customers and persuade them to buy."
4. **Place:** "All the company activities that make the product or service available to target customers."

All of these elements have their specific place in any company's marketing strategy. However, the 4-Ps approach has often been criticized in the past. Some critics for example argue, "it oversimplifies the reality of marketing management" (quoted in Jobber 1998). In the context of services marketing, Booms and Bitner (1981) have therefore suggested an extended "7-Ps" approach that contains the following additional "Ps":

1. **People:** All people directly or indirectly involved in the consumption of a service, e.g. employees or other consumers.
2. **Process:** Procedure, mechanisms and flow of activities by which services are consumed.
3. **Physical Evidence:** The environment in which the service is delivered. It also includes tangible goods that help to communicate and perform the service.

## **2.4 Conclusion**

This section gave place to different sights about global marketing and marketing mix. Section 3 will be about The Coca Cola Company in Turkey. It explains companies' position and campaigns.



## **SECTION 3**

### **THE COCA COLA COMPANY**

#### **3.1 Introduction**

This section is about The Coca Cola Company. It explains general positions of the company and than company's strategies about "Thing Global and Act Local" concept in Turkey. The Coca Cola Company carry out lots of campaigns in Turkey. This section explains 3 of these campaigns.

#### **3.2 The Coca Cola Company's General Positions**

Dr. Pemberton who was a chemist in Atlanta formulated Coca Cola in 1886. The main objective was to prepare syrup to heal headache. However the taste of the syrup was found to be fascinating.

Coca Cola started spread around after two young entrepreneurs purchased the bottling rights for \$1 dollar in 1894. At present Coca Cola is present in more than 200 countries consumed by people with 100 different languages.

Logo of the Coca Cola still remains the same and it decorates many items such as trays, mats, ashtrays, glasses, agendas, calendars, and dozens more souvenirs. The first ever slogan that of Coca Cola that was advertised in Atlanta Journal was "magnificent and cooling", at present the slogan is "Taste of Life". Brand popularity of the Coca Cola comes from three things that have never changed from the beginning. These are the formula, the logo and the bottle that can be identified as soon as it is seen.



The original bottle of Coca Cola was produced in 1914 as a product differentiation strategy and it was the first container of its kind that was patented.

The Coca Cola is the best-known brand with a sale of 69.6 billion dollars a year. The Coca Cola leaves behind the competitors such as automobiles, computers, and electronics.

The Coca Cola brand is not identified just as a commercial product. It is also closely associated with the social life. The brand is famous for its cultural, sports, and music activities. Coca Cola was the first to sponsor the Olympic games in Amsterdam in 1928. They are still the sponsors of the Olympic games and they have never given this up. The Coca Cola is also sponsor of football activities and they have been sponsoring the World Cup, which is organized by FIFA since 1930.

Music is a magical platform that unites people of all age and all nationalities. With these values music has the same values that the Coca Cola inherit. The Coca Cola can be seen everywhere that there are music. Jingles and music are used in the promotional activities and certain music and jingles are closely associated with Coca Cola. Coca Cola organizes musical events that have universal character, which displays the universality of their brand name.

Coca Cola also contributes in educational activities according to the needs of the countries that they are present. Typically, they help for the construction of buildings, and give educational grants.

Coca Cola is the first global company that gave importance to locally with the slogan “think locally, act locally”. Success of the brand in more than 200 countries is due to the emphasis they give to the local needs. The Coca Cola keeps the global values but also produces local projects and leas some local initiatives.

The success of the Coca Cola brand is not only due to the familiar “jingle”, original blend, and the popular container. As well as the brand they are also well known for their researches, and developments. As well as serving for the day they also look ahead for future.

The Coca Cola is the brand that appeal to the largest consumer targets. The Coca Cola encourages looking at the bright side of the life, happiness, hope, sharing and togetherness. These universal values are valid at all times and ages.

The Coca Cola brand has established a very strong bond with the consumers. The huge billboards, posters, TV ads, and the jingles are just some of the activities that create the strong bond. Participating in the social activities and holding the bottles of Coca Cola are the moments that the consumers connect with the well-known brand that is engraved in their mind.

From the date of “ Magnificent and cooling” until the “Taste of the life”, the Coca Cola has been part of the daily life of the consumers all the time and the values of the Coca Cola has been unified with the values of the consumers.

### **3.3 The Coca Cola Company In Turkey**

Coca Cola arrived Turkey in 1964 after 78 years of its birth. Coca Cola has become a well-known brand in Turkey as soon as it arrived. At the moment 14 different types of coke are being produced at 5 different factories that belong to the company. Coca Cola uses Istanbul as their central bases for European and Middle East activities and hence gives great importance to the Turkish market as a center for Eurasia region. Their investments in Turkey so far amount to 500 million dollars.

Brand management and marketing strategies in Turkey is similar to the activities in other countries and it is based on global strategies towards sports, education and music.

The Coca Cola, as part of their corporate strategy brought the World Cup to Istanbul. They also encourage the youth to participate in sport by different projects at different times.

Coca Cola uses the universality of music as a part of promotional activity and they prepare international concerts, periodic musical activities, parties, and private activities in efforts to reach their consumers. For example a group called Coca Cola Rhythm Team made a great show in 2002 by using the Coca Cola bottles and cans. This show was particularly enjoyed by the younger generation. The Coca Cola Foundation is also very active in construction of new schools and providing grants for educational purposes. The campaign of "come on girls lets go to school", in 2003, which was supported by Coca Cola, is a good example.

Without sacrificing on the global values the Coca Cola is producing projects by “thinking locally and acting locally” to satisfy the local needs of the Turkish people. The Ramadan campaign, which was designed, originally for the Turkish people was a very good example of this concept.

Like in the world the Coca Cola has become part of the daily life of the Turkish consumers. The Coca Cola targets to sustain their brand leadership and even to make it stronger by creating new projects for future.

### **3.3.1 Music, The Common Language: Istanbul Rock’n Coke Festival**

Coca Cola which exist for 117 years and at 200 different countries is a strong believer in music and consider it as a unifying platform that bring the people at all age with all the different backgrounds. The Rock’n Coke Festival which was organized during the 6-7 of the 2003 was a fruit of such ideals.

Rock’n Coke festival was aimed to cater for 50,000 people, and it was designed in a similar fashion with the Glastonbury festival of England, which attracted 140,000 people, and the Lowlands Festival of the Holland, which attracted 60,000 people. The Istanbul Rock’n Coke Festival was designed to become brand itself. The chief marketing manager of the Coca Cola for the Turkish region at that period, Gulya, Frayman Molinas stated that “when I asked the young Turkish people what they best enjoy, they usually state that first they want to be together with their friends and second choice is to listen to music. By this organization we will give the youth the first two choices for their enjoyment and we will also help Istanbul to become the ‘World youth metropolis’”.



The CEO of the Coca Cola in Turkey Ahmet Burak stated that the Coca Cola is not just a brand, factories and advertisements, he continued saying “we want to get together with the Turkish youth at different platforms and enrich and share new experiences, and also to provide music that the youth love”.

The brand management of Coca Cola in the world markets is run on three foundations: Pioneering, continuity, and justification. To organize such a big festival for the first time in Istanbul is a good example of being the pioneer in this aspect. This effort is also a sign that the Coca Cola is thinking and acting locally for the service of the consumers. Coca Cola has hired the Hezarfen airport for four months a year 2 months before and after the festival for a period of 7 years with an option of five years. 250 hektare of land in the airport has been turned into a rock town. With these initiatives the Rock’n Coke Festival is planned to take its place among the internationally well-known festival brands. It is expected to be one of the most popular international festivals. Rock’n Coke Festival, which contributed for the promotion of Istanbul and Turkey, had been organized under the consultancy of the Istanbul Cultural and Art Foundation and under the organization of Pozitif Promotion Organization. The Rock’n Coke Festival of Coca Cola was launched by a press conference, which was attended by the CEO, Ahmet Burak, Marketing Manager of the Turkish region Galyu Frayman Melinos, and the Corporate communications manager Temuçin Tüzecan.

Ahmet Burak stated “ The Istanbul which is a city of history and culture will earn a new title after the festival as ‘World Youth Metropolis’. We want the world youth to place Istanbul at their mental map”.

Cost of the festival was about the same as similar festivals elsewhere in the world at around 2-2.5 million dollars. The festival also had a social responsibility. Just like the festival held in 1984-85 in USA and London for the benefit of the poor and starving population of Ethiopia.

Coca Cola used 250 hectare of 500 hectare Hezarfen airport and established a rock city. The town is designed by the city planners, architects festival organizers and it includes facilities such as post office, bank, market, health center, shopping centers with many shops, open bazaar, lots of restaurants, sports fields, parking space, and simply everything that a guest may need. The facilities were planned to meet the needs of all the guests who were going to stay here for two days.

A professional team comprising 1,500 professionals took care of the security, transportation, and even the social activities. By coordinating with the regional hospitals and volunteers from elsewhere, 50 doctors, 200 health personnel and 10 ambulances were on full alert during the festival. There were 260 toilets out of which 20 were designated to the handicap. The auto park was designed with a capacity of 2,500. The two village folks close to the airport were given priority in employment at the construction stage of the town and they were also permitted to sell local products at the open bazaar.

200 people world for 45 days to complete the construction of the town. A contract was made with a security firm and 500 security personnel were appointed to take care of the security. Free bus services were provided from different locations of the city to the town. About 400 buses carried 15-20 thousand people every day for two days from such locations as the Taksim, Bostancı, Kadıköy, Bakırköy, and Mecidiyeköy.



200 personnel were appointed for collecting garbage and waste. Around 200 tons of garbage was collected. The site was totally cleaned after five days work at the end of the festival.

Youth below 18 were not admitted to the festival due to security, social and other reasons. As well as the foreign groups such as the Pet Shop Boys, The Guardians, Dreadzeo, Simple Minds, and Hooverphne, Turkish groups, MFÖ, Duman, Athena, Mercan, Dede, Mor and Ötesi, Babazula, and Nil, and the famous DJ's Felix, Do Mousecat, David Holmes and Phil Hardnell shared the stage.

The Biletix put the tickets of the festival for sale. Those who wanted to spend the night at the festival grounds had to pay an extra for appointment of camping space. They also had to construct their own tents.

Coca Cola Rock'n Coke Festival is intended to be a periodic event. This shows how the Coca Cola cares for local activities and investment.

### **3.3.2 The Bottle Of Turkey**

The Coca Cola advertisements have always portrayed the fun and pleasure of being together. Sharing the fun and enjoying the life has always been the motto. The first delivery of the cokes came in bright red barrels. This is why the *Coca Cola* containers are still red. The drink that had a great taste and created fun, should also have a special container.

Bottling of Coca Cola started in 1894 in a small shop by a single bottling machine. It took five years to adopt automated bottling system. The Coca Cola managers wanted to differentiate their product by using a especial container. The aim was to create a bottle that could be recognized even in the evening and even when it is broken. The company asked for a design from the Root Glass Company. The famous designers Alexander Samuelson and Earl Dean immediately started working. They together created one of the most creative bottles as the original bottle of Coca Cola. The company has performed another first after the design of the bottle, they obtained patent right for the design, which was first ever patenting of a container in the history. By the 1920s the Coca Cola was marketed throughout the USA. It was recognized at first sight by its bottle and container and its taste was irresistible.

In 1950 the Coca Cola was the cover page of the TIME Magazine. The famous magazine introduced Coca Cola as "the World and its friend". Neil Armstrong, who was first men to step on the Moon was greeted in the Times Square on his return by thousands of people holding posters saying that "welcome to the home of Coca Cola, welcome to the world". Coca Cola had sponsored many international events from Olympics to the exploration trips to the North Pole by Sir Edmund Hilary.

Since from its foundation one of the objectives of the firm was to adopt an effective advertising strategy. The Coca Cola has been very successful in adopting the universal values and using in the advertisements, and has always been successful in following the current trends and events in the world.

The shape of the Coca Cola bottle is the second best known shape in the world after the shape of the egg. The Coca Cola bottle has 5 distinguishing factors:

- Nice look.
- Creates joy.
- Appeals to the feelings.
- Symbolizes optimism and the good times.
- Symbolizes togetherness across the borders and cultures.

Coca Cola is using the charm of red color from the first days of its production. This is a rich and appealing color, which attracts good attention when appropriately used. Coca Cola has also been very successful in creating their own bottle, which is very easily identifiable, and this is a positive distinguishing feature for the product.

The Coca Cola has always gave great importance for globalization and it is as part of this concept that the company organized a competition in Turkey to create the best bottle of Turkey. Giant decorated bottles from the 7 different regions competed with each other to become the bottle of Turkey. İznik painting was used for the Marmara region's bottle. Blue eye beads which symbolizes the Aegean region was used o decorate the giant bottle of this region. A Coca Cola bottle with wooden and glass handicraft decorations of the Ottoman period represented the inner Anatolia region. The bottle of the South East Turkey was made from brass. The winning bottle, which came from the Eastern Anatolia, represented the skillfulness of the society. The bottle was decorated with crochet needlework. Since 1996 this bottle is displayed at various exhibitions representing Turkey's handicraft. So far the exhibitions took place in 65 different countries and visited by 12 million people. The tour of " Bottle of Turkey" is destined to visit 200 different countries.

Coca Cola's exhibition of bottles of different countries is a great contribution to cultural exchanges. The competition for finding the bottle of Turkey was an incident that helped Turkey's cultural endowment, and it was a motivation to enrich the already developed cultural wealth. The competition was a good example for "thinking locally and acting locally". But a global dimension was added when the bottle was displayed at the international exhibitions throughout the world.

### **3.3.3 The Ramadan Campaign**

Family unity is one of the most important aspects of life within the Turkish society. To be together and to share the feelings and values... when the Turks talk about the family they do not just talk about the mother, father, brother and sister. The Turkish families are bigger and it contains old and young generations.

Member of the families run around during the day after different responsibilities and they are rarely together. The usual meeting event is at the evening meals. Evening meals are an occasion to bring the family together. The dinner table gets all the family members together and this give the chance to evaluate the day, discuss, ask for advise and exchange information. The greater the number of people around the table, the greater is the wealth of the information and knowledge.

Turkish people give importance to their beliefs as much as they do for their traditions and cultures. The Ramadan, which is, describes to be the "Sultan of the 11 months" is a special month that is awaited throughout the year. This month is a special month for togetherness, support, sharing and contribution. This month is a month that special events and life styles are practiced.



Although there may be some changes in parallel to the developments the month is still practiced in a traditional manner. In the old days people had to prepare a lot of extra food since guests could casually drop in without any notice for the meal before the dawn or for the dinner to break the Ramadan. But today, together with the new communication tools, people never visit prior to notice. But every family invites relatives and friends to create a bigger gathering as this is more desirable.

The Ramadan tables are well organized and appeals to the eye. Every member of the family contributes to the preparation and then enjoys eating together and sharing happiness and joy. The food at Ramadan is usually traditional foods. The most favorable drink is or was usually the liquid yogurt, ayran. Not anymore. Not after the “Ramadan Campaign” of Coca Cola. As a strategy of being considered as a local drink, without losing the global values the Coca Cola has started a campaign to increase its sales during the month of Ramadan when in the past the Coca Cola sales were decreased.

The geography of Turkey creates a very rich cultural mosaic. But despite many diversified cultural presence there are still things that are not changed. One of these is the Ramadan and the dinners of Ramadan. The Ramadan dinners are especially made and displayed at a decorative manner in every house from South to the north and from the west to the east. The Coca Cola has well understood the concept and took according actions.

The Ramadan tour of the Coca Cola starts from the east of Anatolia. It ends in the heart of Turkey, Istanbul. The women of the Eastern Turkey are first shopping for the Ramadan dinner that they will set at their soil houses.

Everything is carefully selected, many hands contribute for the preparation of the food, and the younger hands bring the Coca Cola bottles to the table. The table at the inner Anatolia is also well prepared. There is a very large family seating around the table. The Coca Cola takes its place among the many traditional dishes on the table. If the heart stops the life are also stops. There is no stop in the Istanbul, the heart of Turkey. The time for breaking Ramadan catches one on a boat. A modest meal is prepared in a small pan and it is served with a Coca Cola.

With its Ramadan campaign the Coca Cola has succeeded to enter the Turkish culture without sacrificing from its universal values. The advertisement is a good example of strengthening the globalization by thinking and acting locally.

### **3.4 Conclusion**

Section 3 explained The Coca Cola Company's general positions in world and positions in Turkey. They make Ramadan Campaign, The Bottle Of Turkey, and Istanbul Rock'n Coke Festival for to be closer to the customers.



## **SECTION 4**

### **MAJOR FINDINGS**

#### **4.1 Introduction**

This section gives the lists of theoretical and empirical findings of the study. Next section will be conclusion of the study.

#### **4.2 Lists Of Findings**

Theoretical Findings;

- Marketing is the process of focusing the resources and objectives of an organization on environmental opportunities and needs.
- Global marketing requires marketers to behave in a way that is global and local at the same time by responding to similarities and differences in world markets.
- The so-called "marketing mix", which acts as a guideline for marketers to implement a marketing concept.
- The globalisation is a process, which comes out from the strength and support of the localization.
- As the Coca-Cola Company has demonstrated, the ability to think globally and act locally can be a source of competitive advantage.

### Empirical Findings;

- The Coca Cola brand is not identified just as a commercial product. It is also closely associated with the social life. The brand is famous for its cultural, sports, and music activities.
- Coca Cola is the first global company that gave importance to locally with the slogan “think locally, act locally”.
- The brand management of Coca Cola in the world markets is run on three foundations: Pioneering, continuity, and justification.
- Since from its foundation one of the objectives of the firm was to adopt an effective advertising strategy.

### 4.3 Conclusion

This section listed theoretical and empirical findings of the study. And finally section is section 5 explains the research objectives of the study.

## **SECTION 5**

### **CONCLUSION**

#### **5.1 Introduction**

This section is last section of the study. It explains the conclusion objectives of the study.

#### **5.2 Conclusion**

The globalisation means to be development of a same the conscious for all people community on the world. Of course, this development is not only angle of political or cultural. Marketing is changed on this bunch. Global market is established for answer to these changes. And it becomes new at itself so called global marketing. When planning to do global marketing, a number of "environmental" factors have to be considered but generally one is looking for "unifying" or "differentiating" influences, which will dictate a "standard" or "adapted" planning approach. Finally, a number of concepts and techniques, including the International Product Life Cycle, can give insight and a guide to global planning.

Globalisation and localisation may be seen as two opposing concepts but they are actually complimenting one another. Because the globalisation is a process, which comes out from the strength and support of the localisation. The strategies for globalisation should be in the line with the localisation. This is valid for both political and social approaches. From the marketing point of view the situation is different. Market share, profits, and future prospects are main concerns. The three points are interrelated to each other.

Localisation is important for globalises companies because it is the most important part of globalisation. Future of companies is related to esteem on the local cultures. Companies must be as local as on the their markets. Only by this way companies can be permanent in the local market.

Global products have different market shares and esteem at different markets. They can increase these with localisation and they can reach to their goals with special projects related to substructure and ethnic of the local markets. Companies make social and cultural research before projects.

The Coca Cola Company is best company that practice the slogan "Think Global, Act Local". They made best analysis of their target market of substructure of social and cultural. Company use the same method in Turkey. Company developed appropriate projects for social situations, tradition and custom of Turkish community. For example, The Coca Cola Company analysed Turkish family situation and Ramadan traditions to make appropriate campaigns. The Coca Cola Company never gives concession from their global values when getting localized. It always protect to vision and mission.

The companies, which want to localise must analyse the local markets community. They must appropriate local infrastructure well. These projects not only for increase the market share at the same time must target to gain sympathy too. With the light of these The Coca Cola Company has all characteristics for localization. The global companies localisations must be parallel to existing strategies. Every company must practice a localisation strategy which relative to own structure. If they don't do like this they unfortunately face with big problems.



## APPENDIX

### HISTORICAL EVALUATION SINCE 1886

Coca-Cola originated as a soda fountain beverage in 1886 selling for five cents a glass. Early growth was impressive, but it is only when a strong bottling system developed that Coca-Cola became the world-famous brand it is today.

1894... A modest start for a bold idea; In a candy store in Vicksburg, Mississippi, brisk sales of the new fountain beverage called Coca-Cola impressed the store's owner, Joseph A. Biedenharn. He began bottling Coca-Cola to sell, using a common glass bottle called a Hutchinson.

Biedenharn sent a case to Asa Griggs Candler, who owned the Company. Candler thanked him but took no action. One of his nephews already had urged that Coca-Cola be bottled, but Candler focused on fountain sales.

1899... The first bottling agreement; two young attorneys from Chattanooga, Tennessee believed they could build a business around bottling Coca-Cola. In a meeting with Candler, Benjamin F. Thomas and Joseph B. Whitehead obtained exclusive rights to Bottle Coca-Cola across most of the United States—for the sum of one dollar. A third Chattanooga lawyer, John T. Lupton, soon joined their venture.

1900-1909... Rapid growth; the three pointer bottlers divided the country into territories and sold bottling rights to local entrepreneurs. Their efforts were boosted by major progress in bottling technology, which improved efficiency and product quality.

By 1909, nearly 400 Coca-Cola bottling plants were operating, most of them family-owned businesses. Some were open only during hot-weather months when demand was high.

1916...Birth of the Contour Bottle; Bottles worried that Coca-Cola's straight-sided bottle was easily confused with imitators. A group representing the Company and bottlers asked glass manufactures to offer ideas for a distinctive bottle. A design from the Root Glass Company of Terre Haute, Indiana won unanimous approval. The Contour Bottle became one of the few packages ever granted trademark status by the U.S. Patent Office. Today, it's one of the most recognized icons in the world – even in the dark!

1920s...Bottling overtakes fountain sales; As the 1920s dawned, more than 1000 Coca-Cola bottles were operating in the U.S. Their ideas and zeal fuelled steady growth. Six-bottle cartons were a huge hit starting in 1923. A few years later, open-top metal coolers became the forerunners of automated vending machines. By the end of the 1920s, bottle sales of Coca-Cola exceeded fountain sales.

1920s and '30s... International expansion; Led by Robert W. Woodruff, chief executive officer and chairman of the Board, the Company began a major push to establish bottling operations outside the U.S. plants were opened in France, Guatemala, Honduras, Mexico, Belgium, Italy and South Africa. By the time World War II began, Coca-Cola was being bottled in 44 countries.

1940s... Post-war growth; during the war, 64 bottling plants were set up around the world to supply the troops. This followed an urgent request for bottling equipment and materials from General Eisenhower's base in North Africa.

Many of these wartime plants were later converted to civilian use, permanently enlarging the bottling system and accelerating the growth of the Company's worldwide business.

1950s... Packaging innovations; For the first time, consumers had choices of Coca-Cola package size and type-the traditional 6.5 ounce Contour Bottle, or larger servings including 10-, 12- and 26-ounce versions. Cans were also introduced, becoming generally available in 1960.

1960s... New brands introduced; Sprite, Fanta, Fresca and TAB joined brand Coca-Cola in the 1960s. Mr. Pibb and Mello Yello were added in the 1970s. The 1980s brought diet Coke and Cherry Coke followed by POWERaDE and Fruitopia in the 1990s. Today scores of other brands are offered to meet consumer preferences in local markets around the world.

1970s and 1980s... Consolidation to serve customers; as technology led to a global economy, retail customers of The Coca-Cola Company merged and evolved into international mega-chains. Such customers required a new approach. In response, many small and medium-size bottlers consolidated to better serve giant international customers. The Company encouraged and invested in a number of bottler consolidations to assure that its largest bottling partners would have capacity to lead the system in working with global retailers.

1990s... New and growing markets; Political and economic changes opened vast markets that were closed or underdeveloped for decades.

After the fall of the Berlin Wall, the Company invested heavily to build plants in Eastern Europe. As the century closed, more than \$1.5 billion was committed to new bottling facilities in Africa.

21st Century ... Think local, act local; 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 honour local identity and the distinctiveness of local markets. As was true a century ago, strong locally based relationship between Coca-Cola bottlers, customers and communities are the foundation on which the entire business grows.

## **HISTORICAL EVALUATION IN TURKEY**

The Coca-Cola Company establishes operations in Turkey in 1964. Today Turkey is one of the company's posts-growing markets. Istanbul is the headquarters for the Company's Eurasia and Middle East Division, which cover 23 countries.

The Coca-Cola Company's brands Coca-Cola, Coca-Cola Light, Fanta, Fanta Light, Sprite, Schweppes, SanSun, Cappy; POWERADE, Turkuaz, Nestea, Nestea Light, Fritia, Burn.

Coca-Cola İçecek (CCI) is the authorized local bottling partner of The Coca-Cola Company in Turkey. CCI is jointly owned by Anadolu Holding (40%), Ozgorkey (40%), and the Company (40%).

CCI owns and operates five manufacturing facilities located in Ankara, Tekirdağ-Çorlu, Bursa, Mersin and İzmir-Kemalpaşa with total annual production capacity of approximately 375 million unit cases.

CCI has around 500 distributors, 250000 sales points and a fleet of more than 1000 vehicles.

CCI has invested approximately \$500 million during the post decade to build and continually improve its business in Turkey.

CCI employs approximately 2000 people directly and the Coca-Cola system indirectly creates more than 22000 jobs in Turkey.



Emphasizing local sourcing of production and marketing suppliers, the Coca-Cola system is a major purchaser of sweeteners, flavours, juices, bottles, cans, cups, labels, signs, posters and promotional items. The same is true for services including transport, advertising information systems, legal and accounting services.

The Coca-Cola system in Turkey supports the “All girls go to school (Haydi Kızlar Okula)” campaign launched by the Ministry of Education and UNICEF in 2003 we donated \$250.000 for school materials for girls in ten provinces and utilized the Rock’n Coke Festival as a platform to raise additional funds. During 2002 and 2003, Coca-Cola Turkey donated 80.000 books and libraries to 400 schools.

Following the earthquake of August 1999, The Coca-Cola Company joined with many others to provide relief. Among the Company’s initiatives was the rebuilding of Sakarya University Vocational Training School, Which opened in November 2001.

The Company is a founder and leading member of ÇEVRO, business coalition that works closely with national and local governments on solid waste management.

“Coke Art-Folk Art” supports the Turkish Ministry of culture in promoting local folk art traditions. Folk artists were invited to create Coke bottles using their own distinctive forms of handicraft. Finalists included examples in woodwork, copper work, tile work, basket weaving and pileless carpet weaving. 20 Turkish women embroidered the winning bottle in needlework. It displays more than 800 individual motifs. An exhibit of the bottles toured Turkey in 2001 then began a series of international exhibitions in Austria, the Netherlands and the United States. The Turkish Public Relations Association awarded “Coke Art-Folk Art” its Golden Compass award.

## References

Booms, B. H. and Mary-Joe Bitner (1981), "Marketing Strategies and Organisation Structures for Service Firms", in Marketing of Services, J. H. Donnelly and W. R. George, Eds. Chicago: American Marketing Association.

Gregory L. Miles, "Tailoring a Global Product," *International Business* (March 1995): 50.

Joanne Lipman, "Ad Fad: Marketers Turn Sour on Global Sales Pitch Harvard Guru Makes," *The Wall Street Journal*, 12 May 1988, p. 1.

Jobber, David (1998), Principles and Practice of Marketing (2nd ed.). London: McGraw-Hill Publishing.

Keegan, Warren J. Global Marketing Management. 7th Edition. Prentice Hall.

Kotler, Philip, Gary Armstrong, John Saunders, and Veronica Wong (1999), Principles of Marketing (2nd European ed.). London: Prentice Hall Europe.

[www.sektorelhaber.com](http://www.sektorelhaber.com)

[www.iznik.gen.tr](http://www.iznik.gen.tr)

[www.ntv.com.tr](http://www.ntv.com.tr)

[www.capital.com.tr](http://www.capital.com.tr)

[www.milliyet.com.tr](http://www.milliyet.com.tr)