The Impact of COVID 19 Towards International Business Strategy: A study of Coca-Cola Company

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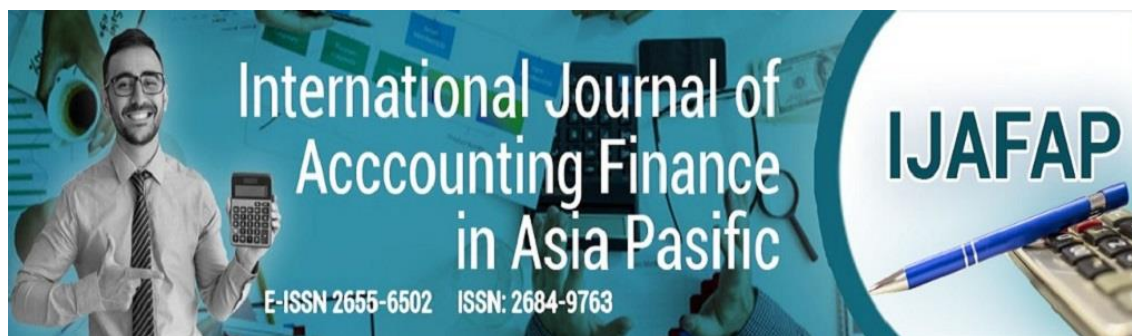ORCID ID: 0000-0003-0539-4865

ABSTRACT

Coca Cola is one of the largest beverage companies in the world and becomes one of the favourite drinks for all people around the world. On March 11, 2020, World Health Organization (WHO) agrees to receive COVID – 19 outbreak a pandemic. This problem firstly started in China; it becomes the main problem of the World. As many Organizations whether domestic and international business affected by this epidemic. International business which is easily affected by the crisis as war, terrorist attacks, natural disasters and another. The main aim of this study is to analysis the global strategy and operations of Coca-Cola Company during COVID–19 pandemic. To collect the data, the questionnaire was distributed to 250 respondents, who are the employees of Coca-Cola company. The questionnaire was distributed via email. The impact of occurrence of Coronavirus on the international business. The results shows that the percentage of respondents who buy Coca-Cola products at online shopping platform increased during the pandemic

Keywords: COVID-19, Coronavirus, Global Strategy, International Business, Coca-Cola Strategy

INTRODUCTION

The Coca-Cola beverage Company is a corporation American multinational beverage and the headquarter is in Atlanta, Georgia. This company has interested in the retailing, manufacturing and non-alcoholic beverages concentrates and syrups. It is one type of public corporation and most popular beverages industry. The Coca-Cola Company is

founded in January 29,1892. The founder of the Coca-Cola beverage Company is John Stith Pemberton, the Chairman and CEO of the company are James Quincey and Brian Smith.
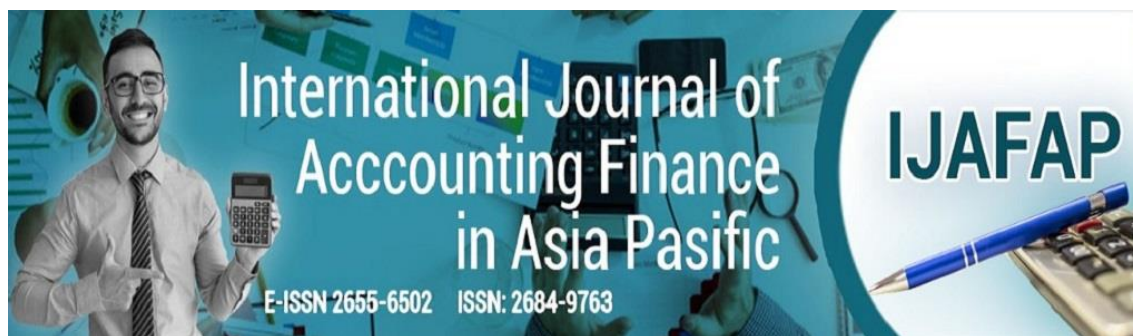
The Coca-Cola company is worldwide area served beverages corporation and the revenue of the company was increased by US$ 37.27 billion in year 2019, the operation income was US$ 10.09 billion and Net Income of the Coca-Cola Company was US$ 8.92 billion in 2019.

The main focus of the Coca-Cola Company is to achieve their target products to their customers. The major focus of the Coca-Cola Company is to improve the product and the design of the bottle, taste of the cold drink, ingredients, size of the bottle, and any other convenience factors related to their products. The products are suit to any group of age, youth to adult people. There are several products of the Coca-Cola Company for the athlete's customer, those who train for a sport, such as Powerade in one of the Coca-Cola Company products. This industry also manufactures the products for those customers who take coffee in the morning before going for work. The coffee product they established named IllyCaffe, Italian coffee brand targeted to coffee lovers.

The Coca-Cola beverage company is engaged in product diversification worldwide. The main goal is applicable to both male and female customers. The Coke is one of the famous products which mainly targeting to the young children and their advertisements are mostly related to the young customers. Coke wants to achieve the young because they know their strategy for their product will give youth's power and energy. Brand extension strategy has played a key role on Coke. (Walsh & Dowding, 2012).

The main target of this type of industry is the growth strategy on the market position of the beverages industry. The Coca-Cola beverage Company offers more opportunities in developing markets by leveraging the scale & reach of the Coca Cola system to shape & capture value. The company has aim that these developing markets are expected to contribute approximately 20 % of incremental population growth over the coming next 10 years. Personal expenditure per capita in the market is expected to raise by 65% over the next decade. Furthermore, Coca Cola beverage company anticipates contributing approximately ¼ of the incremental unit case volume in 2020.

The rapidly increasing of the Corona virus (COVID 19) cases has led to decrease in all the forms of economic activities in the world. The first Corona (COVID 19) case was announced or reported in China. The increase of corona case becomes the crucial problem in the world, WHO declared COVID 19 as a pandemic (Smith-Bingham & Hariharan, 2020). The pandemic has noted sales for the beverage maker across markets due to lockdown measures. Coca-Cola has experienced that the consumption volume decline globally of approximately 25%, the company said in its earnings release. The company defines unit case volume as the number of unit case of company beverages directly or indirectly sell by the company and its bottling partners to customers. For the last three months in 2020, the company said net revenues globally declined 1% to $8.6 billion. To be sure beverage consumption happens across several channels.

The Coca-Cola Company in Atlanta, USA, defined as the most famous company in the world. Coca-Cola is the worldwide developer in the field of cold drink production submitting plentiful products made up of fruit drinks, soda, sports juice, and mineral water. Coca-Cola was created in 1886 by Dr. John S. Pemberton. Initially, it was offered as a fountain drink in Jacob's Pharmacy by mixing Coca-Cola syrup with soda water. Coca-Cola was patented in 1887 and registered as a trademark in 1893. By 1895, it had been sold in every state and territory in the United States. In 1899, the Coca-Cola Company began franchising bottling business in the United States and the business began to develop internationally in 1906 (COCA-COLA Journey, 2018).

In fact, Coca-Cola Company has launched other variants of Coca-Cola drinks, such as Diet Coke, Coca-Cola Zero Sugar, Coca-Cola Vanilla, Coca-Cola with Lime, and Caffeine-Free Coca-Cola. The most popular Coca-Cola drinks include Diet Coke and Coca-Cola Zero Sugar (Walsh & Dowding, 2012). In addition, the Coca-Cola Company actually have produced other soft drinks such as Fanta and Sprite. This already makes this company has been hugely successful in business, as can be seen the increase in the revenue and net income of The Coca-Cola Company. In particular, the company recorded its revenues of about US$ 35 billion and a net income of US$ 11.8 billion in the year 2010. In the year 2013, Coca-Cola also sold its products in over 200 countries worldwide. This makes Coca-Cola Company the world's third most valuable brand after Apple and Google.

On the other hand, The Coca-Cola Company has opportunities in its business. First, the Coca-Cola Company has the opportunity to introduce and diversify the health and food business to its customers (Bhasin, 2019). This will ensure that they get better revenue from existing customers and can stand out from carbonated drinks. Coca-Cola Company has several types of packaged drinking water, such as Kinley (Ray & Chatterjee, 2012), which is also an opportunity for them to expand and introduce more healthy drinks to the market. In addition, developing countries will become a potential market for Coca-Cola. This is because many regions, such as countries with hot climates in the Middle East and Africa, have the highest consumption of cold drinks (Parker, 2020). Therefore, higher consumption is a good opportunity to increase Coca-Cola's productivity.

PESTEL Analysis of Coca-Cola is an analytical strategy in a macro environment. PESTEL stands for P, namely politics, E which is economic, S for social, T for technology, E for environment and L for law that can affect Coca-Cola companies in the macro environment.

Political Factors
Political factors are very important factors that will affect Coca-Cola's profitability. The Coca-Cola Company is a popular soft drink manufacturer in society and it must face various risks in the political environment. The sale of soft drinks can spread the systemic risks of the political environment. Coca-Cola needs to analyse these factors carefully before entering the market. Political factors are political stability, the legal framework for

contract execution, price regulations, taxes, wage regulations, other requirements in product labelling and beverages and workweek regulations (Fern Fort University, n.d.)

Economic Factors

In the analysis of the economic environment, the country's economic factors in the form of inflation, industrial economic indicators, and growth rates can be used by Coca-Cola companies to provide product prices to consumers. Coca-Cola companies must consider economic factors when conducting a PESTEL analysis which includes labour costs and productivity, education level, disposable income, business cycle stages, economic growth rate, inflation rate, interest rate and unemployment rate (Fern Fort University., n.d.)

Social Factors

When analysing the social environment, Coca-Cola must understand the needs of consumers and how the company designs marketing messages for consumers in the soft drink industry. The social factors that will be analysed by Coca-Cola Company are culture, attitude, leisure interests, demographics and skill levels of the population.

Technological Factors

Coca-Cola Company can also analyse the technological environment to move the company forward. Technical analysis includes understanding the impact on the beverage cost structure, the impact on the value chain structure of the consumer goods industry, and the technology penetration rate (Fern Fort University, n.d.).

However, there is an outbreak that is currently spreading around the world, the coronavirus or known as covid-19. The outbreak of the coronavirus is very detrimental to human life from various aspects, one of which is the economy. Many people lose their jobs and become unemployment because many companies can no longer afford to pay employees due to the decrease of product sale. Many brands have also experienced a decline in sales and losing money due to the influence of this coronavirus. One of the brands affected by the coronavirus is Coca-Cola, whose sales have decreased amount of 25% since April (Nugroho, 2020).

Over the past decade, the world had focused on looming challenge such as global warming as well as improving technology for the betterment of mankind. The outbreak of Covid-19 has caught us unprepared because this pandemic is an unprecedented challenge as it had been proved as an airborne transmission disease and widespread infected every human being regardless of age and gender (Reichert, 2020). In order to mitigate the pandemic and minimize the number of deaths, the government of every country had implemented some crucial measures especially restrictions on movement of citizens (Smith-Bingham & Hariharan, 2020). However, this measure can be a double-edged sword, as it results both pro and contra.

The most visible sign during coronavirus crisis is unemployment. A lot of employees are unable to work due to the restrictions on their movement or are infected. Those who work in oversea have to return to their home and local employees have to work from home.

This situation has caused the interruption of distribution and logistics aspects of supply chain as it is people-intensive (Laker, 2020). Apparently, it becomes a significant damage to multinational companies. The lack of human resources in companies especially in production department caused the sharp decline in sales. Hence, the profits of those companies are deeply affected and they may under enormous financial pressure. Certainly, there are other fatal impacts on business due to Covid-19. Therefore, in this research paper, we focus on analysing the impact of this crisis on the Coca-Cola Company, which is a multinational company.

Coca-Cola Company, a well-known multinational beverage company, is headquartered in Atlanta, Georgia. It has over 133 years of history in beverage industry. In Coca-Cola system, the company produces and sells their beverages, syrups and concentrates to their 225 bottling partners which are located across the world. These bottling partners collaborate with vending partners and customers such as grocery stores, supermarkets, restaurants, and cinemas. As the outbreak of the pandemic, some of these businesses had been shut down due to policies of government. Apart from that, Coca-Cola Company is a global company as it has a lot of branches not only in Latin America, but in North America, Europe, Africa, Middle East and Asia Pacific. Furthermore, the Coca-Cola Company also engages in the bottling investments and global ventures. Undoubtedly, the outbreak of Covid-19 had affected the performances of Coca-Cola Company globally in different aspects such as sales and market shares. Thus, the critical solutions that taken by the Coca-Cola Company to reduce the damage during the pandemic are worth to study.

In this research paper, the first objective of study is to determine to which extend the Covid-19 pandemic has affected the performances of Coca-Cola Company. Secondly, this study aims to analyse what had the company done to minimize the fatal loss brought by coronavirus crisis. The study covers negative effects of coronavirus crisis on Coca-Cola Company performance in aspect of production and profits such as revenues, margin, earnings per share, market share and cash flow. In addition, this study focuses on how Coca-Cola Company meets consumer needs as the coronavirus pandemic continues to reshape consumers' behaviours. This information can be studied through the company's quarterly earnings reports from its official website as well as news websites. Besides, a questionnaire will be conducted to obtain the opinions of respondents on how the pandemic had affected the performances of Coca-Cola Company. As the outbreak of Covid-19 is an unprecedented challenge, some companies are forced to shut down due to inexperienced in handling such crisis. Hence, this research enables other company to emulate the exact measures implemented by Coca-Cola Company during this ongoing Covid-19. Additionally, the research is conducted to enable the other company to forecast the long-term effects of coronavirus pandemic as it reveals the impact of the pandemic crisis on the performance of Coca-Cola Company. It facilitates them in improving decision-making about company policies or initiatives to undertake.

RESEARCH METHOD

Primary Research

Primary research refers to a methodology used by researchers to collect data directly, examples include surveys, interviews, observations, and ethnographic research. Primary research carried out to address a certain problem, which requires in the analysis. One of the most important points of primary data is, the data collected is first hand and the data must be accurate. In other words, there is no dilution of data.

The questionnaire as the primary research was used to collect data from respondents. There are 250 respondents involve in this survey which are the staffs of the Coca-Cola company and the public as well. The questionnaire will be conducted online through email, and it is in multiple choice. In the questionnaire, the respondents required to answer all the questions which are all about the impact of Covid-19 on Coca-Cola Company.

Secondary Research

Secondary research refers to the data or resource that involves the primary research that has been gathered and compiled by others such as reports, articles, magazines, journals, and newspaper. This type of research can be obtained from readily available resources which is rapid, easy, and low-cost. The data of secondary research are based on the interpreted, analyzed and summarized information that published by the associations and government agencies. A good marketing researcher will always start to collect data from secondary data.

Journal Review

The journals that we use in our research project is written by the medical association, professors and researchers which are experts in narrating and explaining the impact of the pandemic Covid-19. To analyze and understand more about our research project, we had found and collected several journals which related to our topic and we will review the journals to find out the result. To master and grasp the knowledge which related to our study well, a journal is required and indispensable sources to get the reliable information.

Internet

The Internet is one of the main sources that we use to collect data in our study. There are many online articles, journals, information that we can obtain easily in Internet by entering key words. The information in Internet we have found are relevant and valid to our topic because the website that we use is official website such as Coca-Cola Company's own official website. By using the research in Internet, we can have a deep understand the company and help us to complete and support our research project.
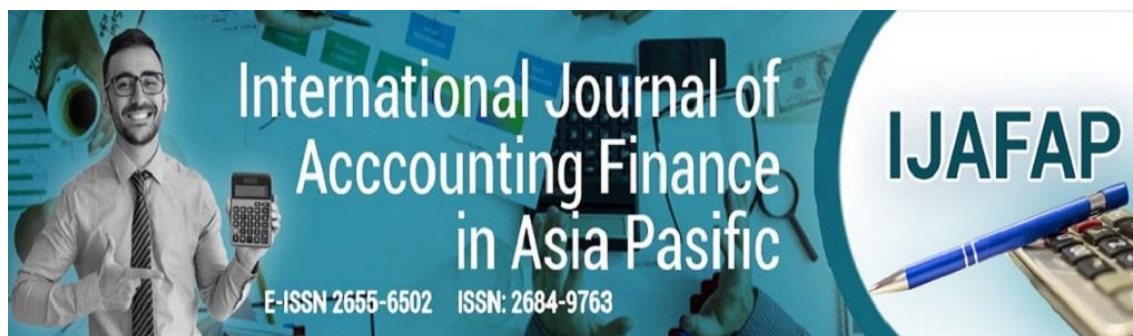
SWOT Analysis

	Positive	Negative
Internal	**STRENGTHS** • Extended global reach • Strong brand identity • Greatest brand significance and customer loyalty	**WEAKNESSES** • Intense competition with Pepsi • Health concerns
External	**OPPORTUNITIES** • Diversification of new product or market • Competitor weaknesses	**THREATS** • Counterfeit and inferior products • Threats of the returning of Covid-19

Strengths

• Extended global reach
  The Coca-Cola Company is extended global reach. It is well-known around the world. It has distributed the product in more than 200 countries with 9 billion servings per day of company products. Coca-Cola has introduced more than 500 new products globally.

• Strong brand identity
  Moreover, Coca-Cola has a very strong brand identity and a super popular brand with an extraordinary brand identity. Its soft drinks are the most hot-selling drinks in history.

• Greatest brand significance and customer loyalty
  Furthermore, the Coca-Cola is considered as one of the United States' most emotionally connected brands. This unique brand is associated with 'happiness' and has very strong customer loyalty. Since the pandemic of Covid-19, a lot of people used to 'work from home' and online learning method, they will always get their 'happiness' together with them. Therefore, Coca-Cola actually has the advantages during the pandemic.

Weaknesses

• Intense competition with Pepsi
  Pepsi is the largest competitor of Coca-Cola. If there are no Pepsi, Coca-Cola would have been the market leader in the beverage market. Now with the Covid-19 pandemic, Pepsi would be launching new products. Therefore, Coca-Cola would face a strong competition (Golan, Karp & Perloff, 2000).

• Health concerns
  Soft drinks are one of the major sources of sugar intake. It leads to two serious health issues which are obesity and diabetes. At the Covid-19 pandemic, a lot of people started to take care of their own health. They would control themselves for not always drinking carbonated drinks since healthy is very important at the

moment. Besides, Plastic bottle waste and water scarcity caused by Coca-Cola Company have a huge negative impact to the environment (Chua, et. al, 2020).

Opportunities
- Diversification of new product or market
  Coca-Cola Company can try to introduce the new offerings in the segments or categories such as health food. By using Research and Development (R&D), the new product or business can be diversified into other industries. The company also has the opportunity to find and increase new customer segments instead of the existing customer.

- Competitor weaknesses
  During the epidemic, many people are encouraged to reduce their consumption due to the lockdown protocol which implemented by the government. People are not allowed to leave the area. It caused that many competitor companies are shutting down or scaling down their operations which may benefits Coca-Cola Company. Coca-Cola Company will have the opportunity to further develop the business via mergers and acquisitions. There are some potential companies for mergers and acquisitions that can bring the potential profits or benefits.

Threats
- Counterfeit and inferior products
  Nowadays, there are many companies or organizations try to produce the counterfeit products in this Covid-19 pandemic. These products are similar in taste but lower in price. It will affect the Coca-Cola Company's sales revenue due to the lower price of counterfeit products. Some consumers who cannot afford the price may choose to buy the cheaper products.

- Threats of the returning of Covid-19
  The pandemic will affect consumer's income again which may lead to their consumption and also sales revenue of the Coca-Cola Company's products. It will bring to the changes of consumer preferences and decision.

RESULTS AND DISCUSSION

The Impact of Covid-19 on Customer Behaviour Towards Coca-Cola Product

Table 1. Demography of Respondents

Gender	Frequency (respondent)	Percentage (%)
Male	89	35.6%
Female	161	64.4%
Age		
Below 20 years old	13	5.2
20 - 29 years old	200	80

30 - 39 years old	21	8.4
40 - 49 years old	11	4.4
50 years old and above	5	2
Race		
Malay	26	10.4
Chinese	164	65.6
Indian	52	20.8
Iban	3	1.2
Javanese	1	0.4
Anu	1	0.4
Indonesian	1	0.4
Dusun	1	0.4
Chinese-Indonesia	1	0.4
National		
Malaysia	161	64.4
Indonesia	32	12.8
India	49	19.6
China	6	2.4
Thailand	2	0.8

Table 1 shows that the responses are collected from 250 respondents which consist of different gender, age group, race and national. According to the study, as much as 64.4% (161) of the total respondents are dominated by female. The gender used in this analysis so the results obtained are not biased and can show a fair and true view of the results. It also can be seen that respondents aged 20 - 29 years old are the most numerous compared to other age group of respondents, which is 200 people out of 250 respondents, equivalent to 80%. In addition, the largest number of respondents is Chinese with a total of 164 respondents out of 250 which is represented as 65.6%, followed by Indian (20.8%), Malay (10.4%) and Iban (1.2%). Therefore, the data shows that the largest number of participations in the survey came from Malaysia which are 161 respondents and 64.4% out of 250 people of respondents.

Table 2. Analysis of Survey (Comparison between the Consumption of Coca-Cola Products Before and During Covid-19 Pandemic)
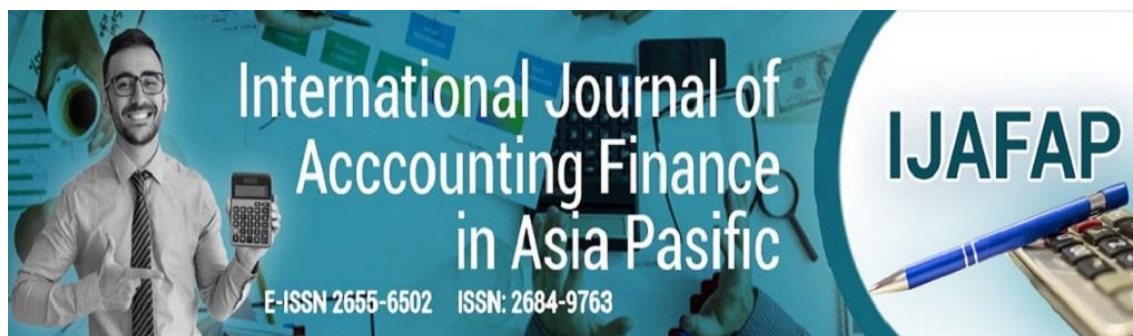
Have you ever consumed any Coca-Cola product before pandemic?	Frequency (respondent)	Percentage (%)
Yes	232	92.8
No	18	7.2
Have you ever consumed any Coca-Cola product during pandemic?		
Yes	179	71.6
No	71	28.4

How often do you purchase Coca-Cola products before pandemic?		
Never	18	7.2
Rarely	114	45.6
Once a week	30	12
2 times and above a week	19	7.6
Once a month	42	16.8
2 times and above a month	25	10
Almost everyday	1	0.4
When needed	1	0.4
How often do you purchase Coca-Cola products during pandemic?		
Never	71	28.4
Rarely	117	46.8
Once a week	20	8
2 times and above a week	2	0.8
Once a month	30	12
2 times and above a month	8	3.2
Almost everyday	1	0.4
When needed	1	0.4
Where do you usually purchase Coca-Cola products before pandemic?		
Grocery store	131	56.47
Convenience store	117	50.43
Supermarket	157	67.67
Restaurant	108	46.55
Vending machine	62	26.72
Online shopping platform	10	4.31
College canteens	1	0.43
Where do you usually purchase Coca-Cola products during pandemic?		
Grocery store	87	48.60
Convenience store	73	40.78
Supermarket	116	64.80
Restaurant	44	24.58
Vending machine	36	20.11

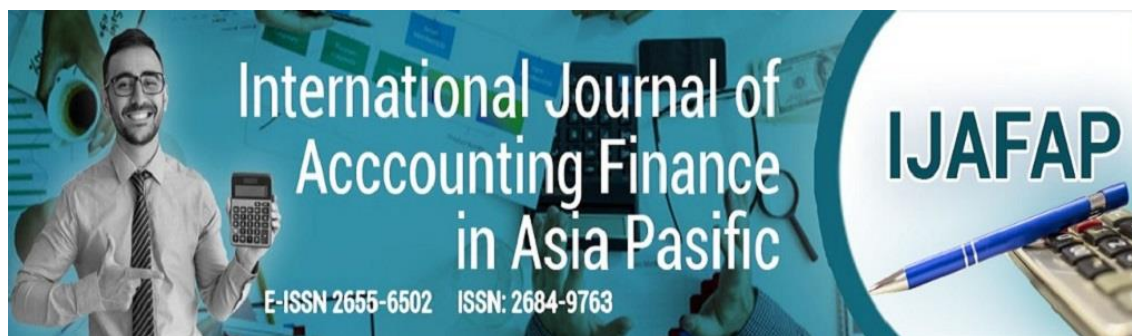|		
Online shopping platform	40	22.35
Food delivery	3	1.68
What factors drive you to purchase Coca-Cola products before pandemic?		
Taste	176	75.86
Price	77	33.19
Appearance/Packaging	36	15.52
Convenience	66	28.45
All above	60	25.86
Mood	2	0.86
Includes in a set of food	2	0.86
What factors drive you to purchase Coca-Cola products during pandemic?		
Taste	143	79.89
Price	63	35.20
Appearance/Packaging	25	13.97
Convenience	51	28.49
All above	43	24.02
Mood	2	1.12
Includes in a set of food	2	1.12
What are the reasons for not purchasing Coca-Cola products during pandemic?		
It is not necessity	70	98.59
Unaffordable	30	42.25
Inaccessible	67	94.37
Supply shortage	28	39.44
All of above	5	7.04
Not Coca-Cola Fan	3	4.23
Not good for health	12	16.9
Have you ever switched to other beverage brands (i.e. Pepsi) during pandemic? If yes, please state the reason.		
Yes	96	38.4
No	154	61.6

In your opinion, what would you suggest to increase the demand of Coca-Cola products during pandemic?		
Discounts or offers	101	40.4
Advertising	32	12.8
Improve product distribution	10	4
Innovate packaging	24	9.6
Manufacturing of new products	79	31.6
Did not answer	4	1.6

Based on Table 2, we can know that the Covid-19 pandemic have greatly affected Coca-Cola company's sales. During the pandemic, the number of respondents who consume Coca-Cola products dropped by 53 respondents from 232 to 179 respondents. The data change may be caused by the lockdown. This reduces customer interest in buying Coca-Cola products and decrease the number of Coca-Cola sale.

If it is compared the frequency of purchase Coca-Cola products before and during pandemic, we can know that the number of respondents who buy Coca-Cola products at all frequencies has decreased dramatically. There are 3 frequencies of purchase Coca-Cola products which is never, 2 times and above a week and 2 times and above a month have change obviously. The number of respondents who never buy Coca-Cola products before and during the pandemic increased by 53 respondents, from 18 to 71 respondents, followed by 2 times and above a week dropped by 17 respondents, from 19 to 2 respondents and 2 times and above a month also dropped by 17 respondents, from 25 to 8 respondents. From this situation, we can know that the Covid-19 pandemic has reduced customers' chances of buying Coca-Cola products. In this case, Coca-Cola's sales will decline. The data change may be due to the customers who pay more attention to health, so they will avoid sweet and cold soft drinks. This is because Covid-19 pandemic make peoples cannot go to the hospital easily, so everyone will ensure their own health every day for avoid the virus.

Before and during the pandemic, there were several places where customers could buy Coca-Cola products. Supermarket recorded the highest percentage of place that respondents usually purchase Coca-Cola products before and during pandemic which is 157 people before pandemic (67.67%) and 116 people during pandemic (64.80%). However, if compared the data of the places for purchase Coca-Cola products for example in store, there is a significant change. The number of respondents who bought Coca-Cola products in store before and during the pandemic dropped from 108 to 44, a drop of 64. This clearly shows that the sales of Coca-Cola company have fallen critically. The data change may be due to the Covid-19 pandemic that caused many stores to temporarily closed.

Most of the respondents choose Coca-Cola products before and during pandemic due to its taste with 176 respondents (75.86%) before pandemic and 143 (79.89%)

respondents during pandemic. In addition, price is the second factor which influenced customers' decision on purchase Coca-Cola products with 77 respondents (33.19%) before pandemic and 63 respondents (35.20%) during pandemic. Through this analysis, we can know that customers pay more attention to the taste and price of Coca-Cola products, so the Coca-Cola Company can pay more attention to the parts and innovate its products to improve sales and customer satisfaction.

Apart from that, most respondents consider that Coca-Cola products are not necessity during pandemic, which is 70 people and 98.59% out of 71 respondents. This is because compared with rice, Coca-Cola products really cannot be used as necessities in our daily lives. Then, the second reason is inaccessible which means lockdown by 67 respondents with 94.37% of 71 respondents, followed by unaffordable (42.25%), supply shortages (39.44%) and not good for health (16.9%).

The majority 154 (61.6%) of the respondents did not switched to other beverage brands such as Pepsi during pandemic. It means that customers are loyal to the Coca-Cola brand, or due to the Covid-19 pandemic, people consume less sugar beverages to stay health. From this situation, the Coca-Cola Company can try to innovate its products to make them healthier products, such as less sugar. This can help to increase customer interest in buying Coca-Cola products. Then, if customer demand for Coca-Cola products increases, this will also help to increase Coca-Cola's productivity during the pandemic.

The conclusion drawn from the 250 respondents is that as many as 101 respondents (40.4%) suggested that discounts or offers and 79 respondents (31.6%) suggested manufacturing new products for increase the demand of Coca-Cola products. The Coca-Cola Company can decide to lower the price of its products and ensure that its prices are cheaper than its competitor Pepsi, so that everyone has the ability to buy Coca-Cola products. In addition, Coca-Cola also can innovate its products to improve sales and customer satisfaction. This result is very helpful for Coca-Cola Company to improve its products and services in the future.

The Impact of Covid-19 on Performances of Coca-Cola Company
The outbreak of Covid-19 is entirely unforeseeable. Before the coronavirus outbreak, Coca-Cola Company had introduced a substantial number of new products and innovation to market. As a result, the number of the licensed products of the Coca-Cola Company, which also called unit case volume, increased 3% at the end of February 2020. However, the unit case volume in Asia Pacific declined 7% due to the serious impact of pandemic in China. The net revenues included concentrate sales and even price or mix decreased 1% to $8.6 billion compared to previous year. The decline in revenues is not surprising given that half of the revenues are far away from home channels, the implemented measures such as lockdown and social distancing restricts people's freedom of movement. In the second quarter of the year, the situation is even getting worse.

From the Coca-Cola Company's second quarter earnings report, the company has suffered its sharpest drop in the quarterly revenues in at least 25 years. The net revenues

of the company in the second quarter declined to $7.2 billion, which is about 28%, due to the major decline in concentrate sales about 22%. The drastic reduction in net revenues was attributed to the 53% decline in revenues of global ventures, due to 2-point currency headwind. On the other hand, the global unit case volume of the company reduced about 16% compared to 2019. The region with the most significant decline in unit case volume is Asia Pacific as the volume decreased 18% due to the lockdown measurement in India. Additionally, the impact of the pandemic on India and South Africa had led to unit case volume in bottling investments decreased about 36%.

Nonetheless, Coca-Cola Company's net revenues have been improving gradually in third quarter in 2020 although it declined 9% to $8.7 billion compared to prior year, according to its third quarter earnings report. The reason is Covid-19 pandemic has reshaped the consumer tend to purchase Coca-Cola products by using e-commerce platforms rather than consuming in the restaurants. Hence, the growth in at-home channels helps to reduce the decline in the sales of the away-from-home channels. This situation has led to improvement in global unit case volume, as it only declined 4% compared to prior year. It can be seen with the growth of 7% of the Coca-Cola Zero Sugar product in both North America and Mexico.

Apart from sales and revenues, the market share and earnings per share of Coca-Cola Company are affected by the Covid-19 pandemic as well. In the first quarter of 2020, the Coca-Cola Company has earned the value share in the non-alcoholic ready-to-drink (NARTD) beverages. However, the value share has been declined in both second quarter and third quarter of the year. From the earnings per share aspect, it grew about 65% to $0.64 compared to the first quarter in 2019. Nonetheless, due to the pandemic is getting serious in the second quarter, the earnings per share have decreased 32% to $0.41. The situation remained the same in the third quarter of 2020, only the earnings per share declined 33% to $0.40 compared to previous year.
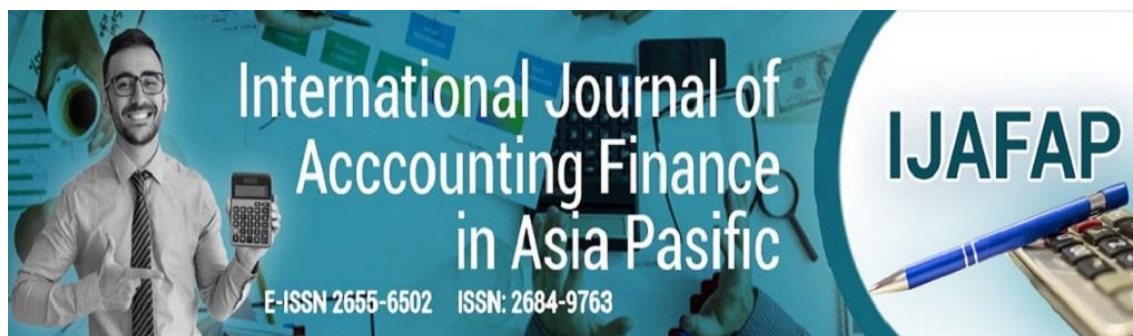
In summary, the coronavirus crisis has affected Coca-Cola Company performances. The performance in the first quarter of 2020 has been influenced slightly whereas the sales and profit of the company in the second quarter had suffered downturn due to coronavirus spread widely and globally to Western countries. However, consumers may have adapted to the situation and gradually changed their behaviour in the third quarter, as they switched from away-from-home channels to at-home channels. As a result, this phenomenon has slowly reduced the loss of the company.

The Impact of Covid19 on Coca-Cola Management/Strategy
During this pandemic, Coca-Cola has deployed a strategy for workers, consumers, and the community from Coca Cola. The efforts they have moved are:
• Protecting the health and welfare of employees
Health and welfare protection is of utmost importance because employees are the priority of the Coca-Cola Company. Employees deserve a guarantee especially during this pandemic.

• Prioritizing safety in production and distribution facilities
Due to this pandemic, the Coca-Cola Company is implementing additional cleaning and sanitation to protect the safety and well-being of everyone. Coca-Cola has also tightened its employee hygiene and exposure guidelines
• Encourages remote work
In order to enforce health protocols, Coca-Cola reduces large gathering and increases social distancing and office-based employees will work at home only. This is done by Coca-Cola in order to maintain the safety of its employees.
• Serving customers and consumers
During this pandemic Coca-Cola focuses on ensuring the products that have been delivered to the places where they need and take the precautions.
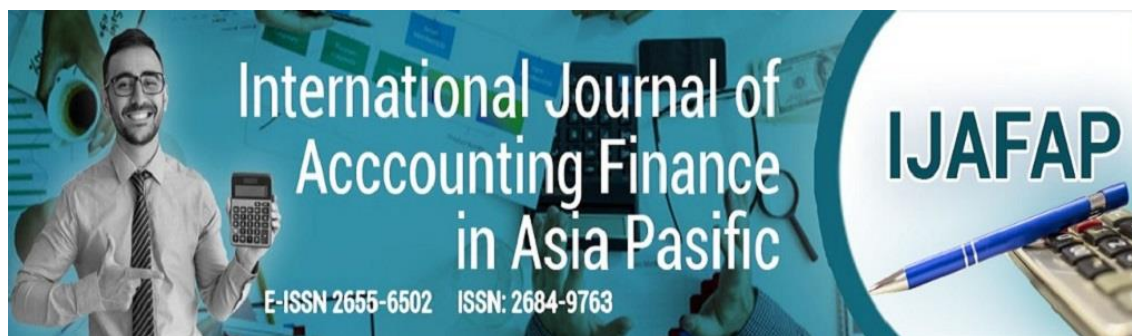• Ensuring product safety and availability
Coca-Cola companies continue to ensure the products they handle remain hygienic in the hands of consumers, because according to the US Food and Drug Administration, they cannot confirm the transmission of Covid-19 from packaging and food.

One of the strategies used by Coca-Cola to survive this pandemic is by increasing their reputation and this can also be a way for the Coca-Cola company to be better known to the public. What Coca-Cola and the foundation do is to improve their reputation in society by continuing to provide support, grants and donations around the world. For example, the Indonesian Red Cross (PMI) worth IDR 10 billion to deal with the COVID-19 pandemic in Indonesia. Humanitarian aid was handed over by Diego Gonzalez, President Director of PT Coca-Cola Indonesia, and Kadir Gunduz, Managing Director of Coca-Cola Amatil Indonesia, to PMI Chairman Jusuf Kalla on Tuesday, April 14, 2020. The strategy used by Coca-Cola during this pandemic, Amatil X's investment in Yummy Corp, will support the wider business strategy of Coca-Cola Amatil Indonesia as a leading beverage supplier in the fast-growing food delivery channel in Indonesia.

CONCLUSIONS

According to the research, there are a great disparity on the consumption of Coca-Cola Company products between before and during Covid-19 pandemic. Majority of the respondents reduce their consumption on Coca-Cola Company's product, to some extent, company's sales has been affected during the epidemic as well. Besides, we also obtained that there is an obvious decrement at all frequencies of consumer purchase Coca-Cola products during the pandemic. However, respondents who chose 'never' and 'rarely' has increased which may illustrate that the company's sales and business will be affected and declined.

The research shows that majority of respondents purchase Coca-Cola products in supermarket, grocery store and convenience store before the pandemic. During the pandemic, majority respondents still purchase Coca-Cola products in Supermarket, grocery store and convenience store, but the percentage is decreased. In addition, the results shows that the percentage of respondents who buy Coca-Cola products at online shopping platform increased during the pandemic. The charts show that the taste of Coca-Cola products is the main factors drive respondents to purchase the Coca-Cola

products before and during the pandemic, then followed by the price and convenience. There are many respondents did not purchase Coca-Cola products during the pandemic. From the research, we know that most of the respondents think that the Coca-Cola products are not necessity during the pandemic and some of the respondents think that it is inaccessible due to lockdown. Furthermore, majority of respondents did not choose the other brands and stay loyal to Coca-Cola and the others replaced Coca-Cola products with another product. Rumelt (2003) found that a company will get a competitive advantage through their unique way to compete. Lastly, most of the respondents suggest to increase the demand of Coca-Cola products with some discounts or promotions.

Obviously, the outbreak of Covid-19 pandemic is significantly affected Coca-Cola Company regardless any aspects. Schumacher (2020) found that the "lockdown" has influenced the global economic activities, including declines in production, international migration, international trade levels, and significant increases in bankruptcy filings. It affected the demands, revenues, market shares, earnings per share, even the management of the company has been changed and altered. The severe impacts of the outbreak of Covid-19 on international business are unprecedented and these effects are still ongoing globally until the situation stabilizes. Company which succeeds through this situation, they will continue their routine work and develop their business, the company that fail to face the uncertainty will get a huge loss or bankrupt (Kucuk Yilmaz & Flouris, 2019).
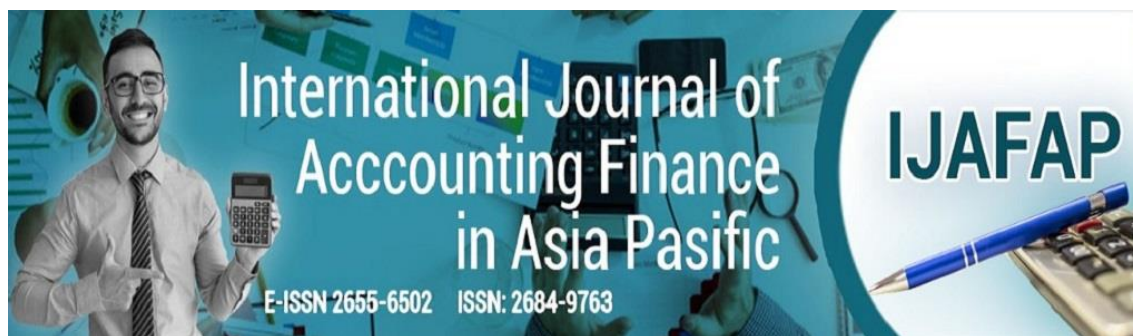
Recommendations
Developing a successful strategy enhance the successful way to cope and manage the risk of uncertainties. Khanna, Palepu and Sinha (2005) showed that the CEOs or top management team try to customize the best approaches to fit their multinational's institutional context and find the appropriate strategies to deal with troubles. The recommendations made in this section are based in the Market study conducted as part of Coca-Cola Company.
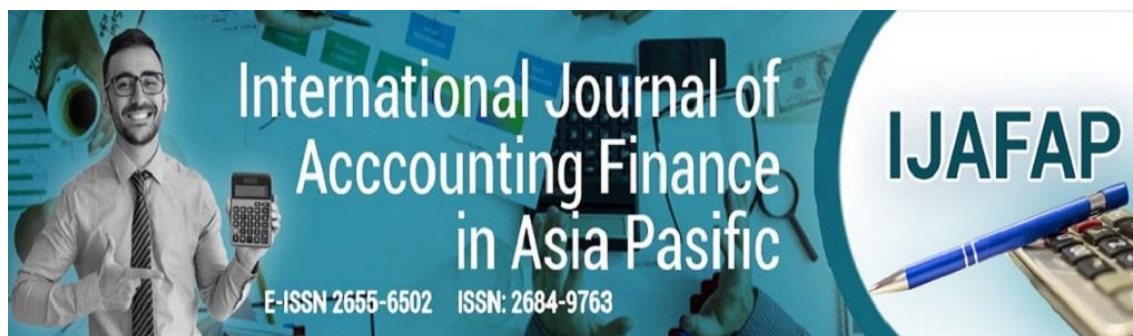
- Performing a demand survey on a regular interval to know about the unique needs and requirements of their customer (Walsh & Dowding, 2012).
- The Coca-Cola company should arrange hindrance free arrangement for their customer to make a feedback or suggestions.
- The company always keep an eye on its primary competitors in the market to be able to compete with them (Bhasin, 2019).
- The Coca-Cola company always use new attractive system of word-of-mouth advertisement to make a general awareness in the whole market.
- A strong goal should be on distributors so that the goodwill of the company brand not get affected.

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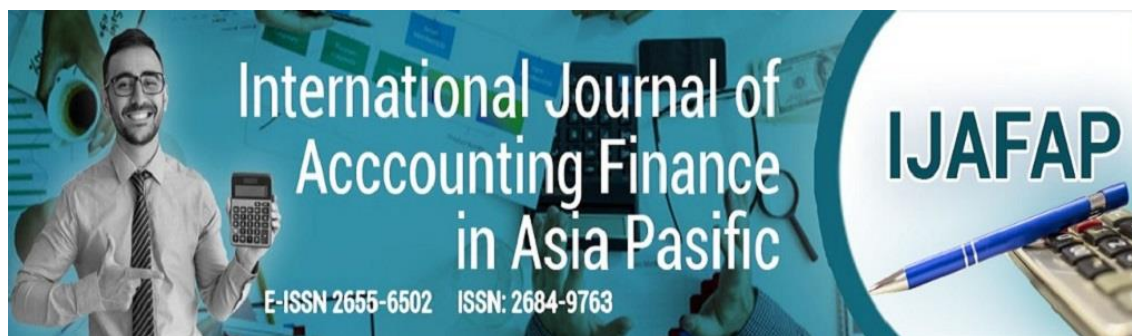
APPENDICES
Coca-Cola Company Survey Form

Section A: Demography.
1. Gender
    - Male
    - Female

2. Age
    - Below 20 years old
    - 20-29 years old
    - 30-39 years old
    - 40-49 years old
    - 50 years old and above

3. Race
    - Malay
    - Chinese
    - Indian
    - Other

4. National
    - Malaysia
    - Indonesia
    - India
    - Other

Section B: Consumption of Coca-Cola products Before COVID -19 Pandemic.
5. Have you heard of Coca-Cola brand before?
    - Yes
    - No

6. Have you ever consumed any Coca-Cola product before pandemic?
    - Yes
    - No

7. How often do you purchase Coca-Cola products before pandemic?
    - Never
    - Rarely
    - Once a week
    - 2 times and above a week
    - Once a month
    - 2 times and above a month
    - Other

8. Where do you usually purchase Coca-Cola products before pandemic?

- Grocery store
- Convenience store
- Supermarket
- Restaurant
- Vending machine
- Online shopping platform
- Other

9. What factors drive you to purchase Coca-Cola products before pandemic?
    - Taste (i.e. delicious)
    - Price (i.e. affordable)
    - Appearance/Packaging
    - Convenience
    - All above
    - No, I don't consume Coca-Cola products
    - Others

Section C: Consumption of Coca-Cola Products During COVID -19 Pandemic

10. Have you ever consumed any Coca-Cola products during pandemic?
    - Yes
    - No

11. How often do you purchase Coca-Cola products during pandemic?
    - Never
    - Rarely
    - Once a week
    - 2 times and above a week
    - Once a month
    - 2 times and above a month
    - Other

12. Where do you usually purchase Coca-Cola products during pandemic?
    - Grocery store
    - Convenience store
    - Supermarket
    - Restaurant
    - Vending machine
    - Online shopping platform
    - Other

13. What factors drive you to purchase Coca-Cola products during pandemic?
    - Taste (i.e. delicious)
    - Price (i.e. affordable)
    - Appearance/Packaging
    - Convenience

- All above
- No, I don't consume Coca-Cola products
- Others

14. What are the reasons for not purchasing Coca-Cola products during pandemic?
- It is not necessity
- Unaffordable
- Inaccessible
- Supply shortage
- All of above
- Other

15. Have you ever switched to another beverage brand (i.e. Pepsi) during pandemic? If yes, please state the reason.

_____
_____
_____
_____

16. In your opinion, what would you suggest to increase the demand of Coca-Cola products during pandemic?

_____
_____
_____
_____