Company Case 12

COCA-COLA: ANOTHER ADVERTISING HIT

When you think of Coca-Cola, want comes to mind? It wouldn't be surprising if you thought first of Coke ads. In the history of advertising, perhaps no other company has had such a strong and continuous impact on society through advertising. Not only have Coke's ads been successful at selling its soft drinks, but decade after decade Coca-Cola's ads and campaigns have influenced our very culture by making their way into the hearts and minds of consumers.

A Brief Ad History

In the 1920s, Coca-Cola shifted its advertising strategy, focusing for the first time on creating brand loyalty. It began advertising the soft drink as fun and refreshing. Coke's 1929 campaign slogan was, "The Pause that Refreshes." To this day, that slogan remains number two on *Advertising Age*'s top 100 slogans of all time.

How about those famous Coca-Cola Santa Clause print ads? Most people have probably seen an example of such. What most people don't realize is that our modern-day vision of Santa as a jolly old man with a white beard in a red suit and hat is to some extent a result of those Coke ads that began emerging in popular magazines in 1931. Prior to that, the world's image of Santa was fragmented, with physical portrayals of the legendary holiday visitor ranging from a pixie to a leprechaun to even a frightening gnome! But Coca-Cola's long-running series of ads solidified what was becoming a common U.S. image, making our beloved Santa Clause recognizable around the world.

Move on to 1971 and Coca-Cola's famous "Hilltop" campaign. Perhaps you've heard about its lyrics, "I'd like to teach the world to sing, in perfect harmony. I'd like to buy the world a Coke, and keep it company." The song was sung by a choir of young people from all over the world, perched high on a hilltop, each holding an icon hourglass-shaped bottle of Coke. Within months, Coca-Cola and its bottlers received more than 100,000 letters about the ad. Radio stations actually received requests to play the song from the ad; so many in fact, that a version of the song was released as a pop-music single. The jingle's tagline, "It's the real thing," served as the foundation for Coke ads for years.

Maybe you've heard of Coke's ad showing a bruised and battered Mean Joe Green tossing his shirt to a young fan after the boy shares his Coke with the pro football player. The ad appears consistently at the top of "Best Super Bowl Ads of all times" lists. Or how about other famous Coca-Cola jingles such as "Coke is it!," "Can't Beat the Feeling," or "Always Coca-Cola"? And even these days, who doesn't make some association between the sweet, dark, bubbly beverage and polar bears? Innovative animation technology put those lovable creatures in only a handful of ads, but they are forever etched in the memories of consumers everywhere.

These are only some highlights of Coca-Cola's long advertising history, stretching back to the company's origin in 1886. With so many hits and such a huge impact on consumers, it's hard to imagine that the beverage giant ever gets into an advertising rut. But as the new millennium began to unfold, many considered that Coke had lost its advertising sizzle. The company was struggling to create ads that resonated with younger folks while at the same time appealing to older consumers. And the company's ads we're routinely out-pointed by those of rival Pepsi. Coca-Cola needed some new advertising fizz.

Back to the Bowl

Where does a company turn when it wants to make a big advertising splash? For Coca-Cola, its thoughts turned to the marquee of all advertising events—the Super Bowl. The company had certainly had success with that ad venue before. But scoring big with a Super Bowl ad isn't guaranteed. In fact, many cynics view the Super Bowl as a waste of advertising money. One team of researchers found that average brand recall one week after a recent Super Bowl was an unimpressive 7 percent. Recall for specific commercials and the brand represented therein was even worse at only 4 percent. That doesn't speak very highly for a thirty-second ad that cost $3 million dollars to air, and perhaps even more to produce. The Super Bowl has its share of critics who think it is far too costly for a single event, regardless of how many people tune in.

But for all the misses, there have been plenty of hits. In 1999, HotJobs.com blew half of its $4 million advertising budget for the year on a single thirty-second spot. The result? Traffic on its Web site immediately shot up 120 percent, choking its network and server system. Monster.com saw similar results that same year. Despite the fact that most dot.coms from that era ended up failing, both of these two job-search pioneers are still alive and well more than a decade later. Like HotJobs and Monster, hundreds of advertisers throughout the Super Bowls' history have been very satisfied with the results of their ads.

For its 2008 campaign debut, Coca-Cola was confident that the Super Bowl was just right for its broad target market. It assigned advertising agency Wieden + Kennedy the task of crafting a 60-second commercial. Hal Curtis, one of the top creative directors for the agency, took charge of the project. Two years before, Mr. Curtis had come up with an idea for an ad while working on a different campaign. He thought the idea was perfect for Coke.

You probably remember the ad: Titled "It's Mine," the spot was set at Macy's Thanksgiving Day Parade in New York City, a parade famous for its blimp-sized balloons marched through the Central Park area on long tethers. The Coke ad focused on two particular characters, Stewie Griffin from Fox's *Family Guy* and the classic cartoon character Underdog. Both balloons sidled up to a huge Coke balloon. The two characters began fighting over the Coke, bouncing around in a kind of slow-motion ballet against the New York skyline, bumping up against buildings. As the scuffle progressed above the streets, moving higher and higher, New Yorkers looked on from hot dog stands, cabs, and even inside buildings. At the story's climactic moment, a giant Charlie Brown balloon emerged from nowhere, swooping in and claiming the giant Coke, leaving Stewie and Underdog empty-handed.

The spot cost Coca-Cola $2.3 million to make and more than double that to air. It was also the most difficult ad that Mr. Curtis had ever produced. For starters, he encountered mounds of red tape in negotiating the rights to use the well-known cartoon characters in the ad. Choreographing and shooting footage of giant balloons in one of the world's biggest cities brought its own set of challenges. At one point, bad weather forced the project indoors and all the way across the country to the Paramount studios on the west coast. The post-shoot animation was considered yet a third shoot for the ad. It all added up to four months of production and postproduction.

When asked about the challenge of simultaneously reaching consumers of all ages with an advertisement, Mr. Curtis responded, "A good story appeals to everyone. And a story that is well told appeals to young and old. Certainly, there are times where we want to skew a message younger, but for this spot that wasn't part of the thinking." Pio Schunker, Coca-Cola's head of creative excellence, added, "We are at our best when we speak to universal values that appeal to everyone rather than try and skew it to specific segments."

According to Mr. Schunker, the universal value referred to here was that "Good really wins in the end," a point that he thought was made strongly with the contrast of Charlie Brown over a character like Stewie. In fact, Curtis originally pitched the ad with an ending that had the Coke bottle getting punctured on a flagpole and neither balloon getting it. But Coca-Cola wanted something that was emotionally more positive, something that expressed optimism. "I felt it was such a downer of an ending to have these characters chase the Coke and not get it," stated Mr. Schunker. It was Curtis's 12-year-old son, Will, who gave him the idea for what became the ending when he said, "Why can't another balloon get it?" For Hal Curtis, the next logical step was Charlie Brown.

Everyone was happy with the end result. Both Coca-Cola and Wieden + Kennedy felt that the ad communicated the desired message perfectly while bringing out the kind of warm emotions that had emanated from Coca-Cola ads for decades.

The hunches of these ad veterans proved correct. The day after the game, Coke's balloon ad had 350 blog posts while Pepsi's ads had only 250. A week after that, the Charlie Brown ad was the most talked about ad online. SuperBowl-Ads.com had it rated as the top ad of the dozens that aired on the 2008 gridiron matchup. The spot ultimately wound up winning a Silver Lion at the Cannes Lions festival, the most prestigious award event in the industry.

There's no doubt that the "It's Mine" ad restored some of the advertising glory for which the brand has always been known. With that momentum, Coca-Cola charged into the 2009 Super Bowl with three ads. Two of the ads were for Coke Classic as part of its new "Open Happiness" campaign. In "The Heist," cleverly animated insects steal a sleeping man's bottle of Coke. In "Avatar," Coca-Cola turns a gruesome avatar into a beautiful girl, bringing her together with the ad's central character. A third Coca-Cola ad was for Coke Zero; a word-for-word, shot-for-shot remake of Coke's 1980 "Mean Joe Greene" ad, featuring Pittsburgh Steeler Troy Polamalu. All three ads were buzz worthy, scored well with viewers, and received kudos from the advertising press. "Avatar" and "Mean Troy" both made *Advertising Age*'s "Creativity Top Five." And *Advertising Age*'s Bob Garfield gave top honors to "Mean Troy."

Achieving ad buzz and receiving good reviews from the press is certainly desirable, but that's only a first step to advertising success. In the end, the only result that really matters is whether or not the ad has the intended effect on consumers. Although the impact of Coca-Cola's recent Super Bowl ads (or any of its other great ads for that matter) on actual beverage sales may never be known, one broader conclusion is clear. Every year, brand consultancy Interbrand publishes the premier ranking of global brands based on their monetary value. And every year since Interbrand began publishing the list in 2001, Coca-Cola has held the top spot. At $66.7 billion in value, Coca-Cola is the world's most valuable brand. More than 100 years of stellar advertising certainly seems to have paid off.

Questions for Discussion

1. Consider Coca-Cola's advertising throughout its history. Identify as many commonalities as possible for its various ads and campaigns. (For a list of Coca-Cola slogans over the years, check out http://en.wikipedia.org/wiki/Coca-Cola_slogans.)
2. Analyze the "It's Mine" ad based on the process of creating an advertising message as outlined in the text (the ad can be found at www.superbowl-ads.com).
3. Discuss issues of selecting advertising media for the "It's Mine" ad. How might this process differ from that of other Coca-Cola campaigns? From other campaigns for other companies?
4. Based on the information in this case, how might Coca-Cola measure the effectiveness of the "It's Mine" ad? What else might Coca-Cola want to measure?

Sources: Bob Garfield, "Ed McMahon's Bad Ad Steals the Super Bowl," *Advertising Age*, February 2, 2009, p. 1; Lucinda Watrous, "The History of Coca-Cola's Advertising," *Associated Content*, January 14, 2008, accessed online at www.associatedcontent.com; Suzanne Vranica, "Coca-Cola Ad Scores Big," *Wall Street Journal*, March 12, 2008, p. B3A; G. Michael Maddock and Raphael Louis Vitón, "Super Bowl Ads: A Big Fumble," *Business Week*, March 27, 2008, accessed online at www.businessweek.com; Staff writer, "Work of the Week," *Advertising Age*, February 9, 2009, p. 27; "Celebrating 75 Years of the Coca-Cola Santa," press release accessed online at www.thecoca-colacompany.com, May 2009.