Coca-Cola, the world’s largest beverage company, achieves its success by being a trusted and reliable partner across the supply chain. When it comes to sustainable and inclusive business activities, its goal is to have global reach through local operations, with initiatives that support healthy living; create a safe, inclusive work environment; and enhance the economic development of the communities where they operate. Inclusive business activities at Coca-Cola are focused on partnerships in three areas: women, water, and well-being. Coca-Cola’s impetus behind implementing inclusive business was to create additional stakeholder value by integrating the principles and practices of sustainability, inclusivity, and cost reduction into the “heart of the enterprise,” beverage production, and distribution. In addition to individual initiatives and programs, Coca-Cola has used multilateral initiatives through The Consumer Goods Forum to reduce its environmental impact in concert with key partners along the supply chain.

**COMPANY OVERVIEW**

The Coca-Cola Company ("Coca-Cola") is the world’s largest beverage company, offering more than 3,600 different products around the world. Major Coca-Cola brands include Coke®, Diet Coke®, Fanta®, Sprite®, Coca-Cola Zero®, vitaminwater®, POWERADE®, Minute Maid®, Dasani®, and FUZE TEA.® Through one of the world’s largest beverage distribution system, consumers in more than 200 countries enjoy Coca-Cola beverages at a rate of 1.9 billion servings a day. Coca-Cola also works in agriculture and ingredient sourcing, providing raw materials for packaging, and in recycling and recovery of bottle parts to close the loop with its suppliers.

**Coca-Cola’s Inclusive Business Edge**

Coca-Cola’s comprehensive inclusive business strategy is based on building coalitions to galvanize global action across the “golden triangle” of business, government, and civil society. Partnering with the right people ensures that each activity remains centered on supporting the community that it serves. Specifically, Coca-Cola has focused its inclusive business on “three Ws”—women, water, and well-being.

**Women:** Coca-Cola’s program around women focuses on expanding the entrepreneurial potential of women to help families and communities around the world prosper. “We have an innate belief that when we help create stronger communities, we will then have a stronger business in our communities,” said Muhtar Kent, CEO of Coca-Cola. In 2010, Coca-Cola launched its 5by20 campaign to help economically empower five million women entrepreneurs by 2020. To Coca-Cola, economic empowerment means building women’s self-esteem so they become mentors and role models to other women, empowering them through the development of business skills and increased access to financial services, capital, peer networks, and mentoring. Coca-Cola identifies the women; trains them in basic accounting, distribution, logistics, retail, and stock rotation; and confers a diploma in recognition of their accomplishments at the end of training. From a business perspective, this results in loyal distributors who promote Coca-Cola’s products. The women are not required to exclusively distribute Coke products; the women also distribute other items such as phone cards and cigarettes, making their products relevant to the communities they serve. By 2014, 5by20 empowered a total of 865,000...
women and expanded to eight new countries: Malaysia, Indonesia, Japan, Ghana, Lesotho, Botswana, Malawi, and Burundi.\(^5\)

**WATER:** Coca-Cola’s water replenishment inclusive business activities seek to return to communities and the environment an amount of water equivalent to what the company uses in its beverages and its production by 2020.\(^6\) This is called water neutrality, and its primary components are reduction, recycling, and replenishment. Between 2005 and 2014, Coca-Cola balanced an estimated 94% of the water used in finished beverages based on 2014 sales volume, for a total of 153.6 billion liters of water replenished to communities and the environment.\(^7\)

Coca-Cola deployed three different methods to achieve water neutrality. Through technology, the company reduced the amount of water used in 1,004 factories in 207 countries.\(^8\) Previously, Coca-Cola production facilities rinsed bottles with water before they were filled with a beverage. Now, the bottles are rinsed with air, dramatically decreasing water waste. The second method employed was to recycle the water used during production back into the local municipal water systems. Additionally, Coca-Cola implemented thousands of water replenishment projects in water-stressed region of Africa, Asia, Latin America, and India. The culmination of these projects allowed Coca-Cola to declare water neutrality by December 2015, five years before target.\(^9\) Not only has Coca-Cola succeeded in replenishing the water systems in the communities where it operates, but it has also improved its bottom line through the savings incurred by decreasing the amount of water used in production.

**WELL-BEING:** Well-being programs at Coca-Cola focus on offering healthier products and improving community health. Coca-Cola’s strategy is three-fold: to provide transparent nutrition information, to support healthy living, and to market responsibly. Muhtar Kent, CEO of Coca-Cola, explains, “In every country where we operate, we have a well-being program promoting exercise and health-related activities. The programs help our consumer and stakeholder base have a better understanding of energy balance, [and a] better awareness of the fact that in certain cases, they can choose a product that doesn’t have calories.”\(^10\)

Coca-Cola offers low- or no-calorie beverage options in 191 markets in which it operates,\(^11\) with transparent nutrition information on the front of all packaging. It also advocates for improved public health in the communities where it does business through programs targeting increased physical activity – by the end of 2014, Coca-Cola had implemented 330 programs in 112 communities. Additionally, in 2014 Coca-Cola developed a new, more comprehensive responsible marketing policy that banned advertising to children under 12 across all forms of media.\(^12\)

**PARTNERSHIPS:** Coca-Cola’s inclusive business is also multilateral, particularly through the company’s involvement with The Consumer Goods Forum, a network of the largest retailer and consumer goods companies in the world. The Consumer Goods Forum’s mission is to address industry issues and create opportunities for collaboration to improve efficiency and affect positive change.\(^13\) The Forum’s sustainability focus is on “acting together to position the industry as a leader in protecting against climate change, reducing waste, and promoting compliance with good working and environmental practices.”\(^14\) Members include heavy hitters such as Carrefour and Walmart, but also smaller retailers like South Africa’s Pick n Pay. Coca-Cola CEO Muhtart Kent was the chairman for three years, followed by the CEO of Campbell, Denise Morrison, and Chairman of Pick n Pay, Gareth Ackerman. Among others, the Forum recently made a commitment to have all the refrigeration in retailers and consumer goods companies hydrofluorocarbon...
(HFC)-free by 2020. “Imagine if all the refrigeration of retailers turns into HFC-free refrigeration,” said Muhtar Kent, “how much of a change that would be to help prevent the ozone layer from being depleted.”

**THE BUSINESS CASE AT COCA-COLA**

The impetus behind implementing inclusive business activities at Coca-Cola was to create additional stakeholder value by integrating the principles and practices of sustainability, inclusivity, and cost reduction into every part of the enterprise. Before 2005, Coca-Cola invested peripherally in its core business in various activities that were deemed “sustainable,” such as the environment, paired with a neatly packaged sustainability report. But all of that changed ten years ago, when “We said we’re going to actually do it a little differently, because we came to the conclusion that if you want to be a business that’s going to be around for the next hundred years, you’ve got to make sure you not only create value for stakeholders, but also for your people that work for you, your partners, your consumers, your customers, [and] governments.” Today, the people of Coca-Cola, including the women who have been impacted by its programs, partner with local governments and other industry players to improve the planet, driving down water use costs and improving the quality of life for people all along the value chain. [1]

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