



## CROSS-CULTURAL ADVERTISING OF COCA COLA: COMPARISON BETWEEN USA AND CHINA.

Akhil Saraf\* Anahat Kahlon\* Yash Jaggi \*  
\* Students, BBA (Honours) Christ University, Bangalore.

### Abstract

There has been a lot of research completed on advertising strategies in specific countries, but little research has been done to explore advertising strategies of a single company across different countries. This study sought to discover what trends existed in Coca-Cola's global advertising strategies, specifically discerning whether cultural elements within differing countries were implemented or ignored. Twelve total advertisements from the United States and China were analyzed using a qualitative and quantitative coding method. The results provide interesting insight as to the frequent use of the Coca-Cola logo and human presence within its advertisements. Most predominantly, the results show that while Coca-Cola's advertisements often catered to specific cultural values, they displayed a common theme of festivity and happiness, something people of all cultures understand. Coca-Cola also managed to appeal on a global scale by minimizing copy in the advertisements and using images to advertise their product and festivity theme.

### INTRODUCTION

With globalization, there has been an increase in the opportunity for multinationals to capture a larger market share. Though the opportunities have increased, the multinationals need to create effective advertising strategies so that they monetize on the opportunity well. The essence of advertising is convincing people that a product is meant for them and by purchasing it, they will receive some benefit, whether it be lifestyle, status, convenience or financial. When an advertising campaign is taken abroad different values and perceptions as to what enhances status or gives convenience exist. These differences make the original advertising campaign defunct.

Language plays a major role in cross cultural advertising. Companies must check the linguistic implications of the company/product name slogans when changed to variety of languages. For example, when Ford introduced "Pinto" in Brazil, its sales fell drastically because the word "pinto" actually meant "tiny male genitals" in Brazil. Language must be analyzed for cultural suitability. Communication style also plays a role in cross cultural advertising. Understanding the way in which the potential customers belonging to various regions communicate and what they value, the advertisements can be modified.

Even the simplest and most taken for granted aspects of advertising need to be inspected under a cross cultural microscope. Colors, numbers, symbols and images do not translate well across cultures. In some cultures there are unlucky colors like black in Japan, while in some there are lucky colors like red in China. Some colors have a certain significance like green in Islam. Some colors have tribal associations in parts of Africa.

Coca Cola uses the same theme across the world but customizes it to specific regions by taking the region's culture into consideration. Themes like "Share a Coke" and "open happiness" remain global, however the communication aspect varies across regions. The advertisement focuses on capturing the audience via different emotions in different regions. Eg USA (individualism/independence), South Africa/India (family bonding/festive spirit), China (unity/patriotism) etc. The nationality, gender and age of the models used in the advertisements also need to be chosen after taking the regions culture into consideration. The color schemes, music and aesthetics of the advertisement also need to be adapted to that regions culture.

In this study we have taken into consideration the Coca Cola campaigns from. We have compared how Coca Cola has modified its advertisements across USA and China.

Cross-cultural analysis of advertising can identify specific differences and similarities in advertising strategies, expressions, and manifest cultural values, norms and stereotypes of the target audience and the larger culture. Such findings may be used to address the question of whether the same strategies and expressions can be used in international advertising, and whether the values, attitudes, desires and tastes of consumers around the world are converging.

### LITERATURE REVIEW

(Doherty, 2011) Talks about cross cultural advertising and how visual communication is different in the west when compared to that in the East. Consumers in Chinese and Western (US/UK) markets are likely to interpret, evaluate and respond differently to visual information and cultural content in advertising imagery. As soft drink market is a growing industry sector for both domestic and foreign brands within China, cola drinks provide a good example of a mass market product relevant to many young consumers. Coca-Cola is used as a case study of a popular 'Western' mass-market global brand for a



fixed product type operating within China under increased competitive pressure from local Chinese brands despite its historical dominance. The cultural difference present a challenge for advertisers and to overcome it, they need a strong understanding of the socio-cultural situation of that particular part of the world. Successful brands advertise according to the desired positioning they want to achieve in a particular market segment.

(Bryant, 2011) Studies the advertising approach of Coca Cola in six different countries. Most predominantly, the results show that while Coca-Cola's advertisements often catered to specific cultural values, they displayed a common theme of festivity and happiness, something people of all cultures understand. Coca-Cola also managed to appeal on a global scale by minimizing copy in the advertisements and using images to advertise their product and festivity theme. As a company's success in new markets is largely dependent on knowledge of the market and its ability to reach audiences with different standards and beliefs, Coca Cola has successfully advertised in many countries through extensive research and understanding of the perspective of the masses. Coca-Cola has a straightforward method of persuading consumers across the globe to adopt its products. It is interesting to note Coca-Cola's methods of persuasion given the fact that the company has successfully moved through Rogers' five stages of adoption. A combined forty-five percent of advertisements displayed satisfaction or a festive theme, tying into Coca-Cola's branding strategy of selling "happiness," a universal emotion. It is unsure whether choosing this emotion was originally a global strategy, but it certainly seems to have worked in Coca-Cola's favor.

(Gaussorgues, 2009) Discusses the challenges of cross cultural advertising and its growing importance in the modern world. In cultures where advertising has a longer history, the specification of products are appeals firmly fixed. The advertisements are framed keeping in mind the specific country in which the company is operating. Different kind of advertising appeals to different sets of people. For example, using simple pictures is seemingly to be viewed as offensive by consumers who have learnt to handle more complex images. They will prefer an interactive and responsive advertisement over a simple one. By comparing the meaning of the colors in different countries, one notices that there are huge differences in their interpretation. So the color is an important element of an advertisement that the brands should adapt to the culture in order to avoid some mistakes. The same is true for symbols and gestures as their meaning also changes across countries. The amount of liberty an advertiser can take also depends on the ideology of the region. Many cultures do not support direct implication of sex and alcohol in advertisements.

(Ogilvy, 2009) The article studies the advertising of Coca Cola across cultures and discusses the factors that contributed to its success. The "Let's Go Crazy!" campaign was an important event for The Coca-Cola Co.'s larger "Cultural Relevance" initiative, which drives a highly emotional brand-consumer objective designed to increase brand love. Although Coca-Cola's central brand message of "Happiness" has streamed across multiple campaigns and promotional activities for decades, "Cultural Relevance" specifically looks to tap into universal values to deepen the connection between the happiness message and the brand. Coca Cola used a very step by step and intelligent approach to ensure success of this campaign. The platform struck an emotional chord by directly addressing the social fears of consumers today. Building this deep, emotional relationship plays into an ultimate business objective—maintaining the steady growth seen in key performance metrics like sales volume and market share. All in all, Coca Cola has emerged a clear winner in cross cultural advertising and credit also goes to their agency Ogilvy and Mather as well as BMC Innovation, who did market research for Coca Cola.

## **RESEARCH DESIGN**

**Scope of the Study:** This study looked at advertisements from a single, successful, multinational corporation: The Coca-Cola Company. Only one corporation was chosen in order to provide a consistent institutional background for all the advertisements analyzed in the study and to allow the researcher to focus on the content of the advertisements without having to worry about variations in company mission or intent. The Coca-Cola Company has successfully entered many different global markets, which demonstrates the company's ability to utilize effective global advertising strategies. Coca-Cola's consistent, global success prompted the choice of the company's advertisements for analysis in this study.

The advertisements selected for this study were produced by Coca-Cola for use in the United States and China. Advertisements from the United States were included because the Coca-Cola Company originated there and U.S. advertisements provided a control group for the study. China was selected because of its status as a significant emerging world market and to provide a sample of a differing culture and geographic location. Either country has also been experiencing a significant growth in advertising, which made it ideal for use in this study. Each advertisement was chosen based on a specific set of criteria, and a convenience sampling was used with Google search engine as the medium for selection.

**Methodology of the Study:** This study utilized both qualitative and quantitative content analysis to determine the underlying



themes in global advertisements created by The Coca-Cola Company.

Content analysis was determined to be the most effective method for this study because the research sought to further explore Coca-Cola's advertising strategies by looking at a variety of different advertisements across campaigns, countries and time periods. Qualitative content analysis allowed the researcher to develop a method of coding by looking at specific elements that were already present in Coca-Cola advertisements. Quantitative content analysis was then used to determine the frequency of these elements and provided the researcher with more concrete results.

Research Question 1 sought to determine if cultural elements were used in Coca-Cola advertisements. Examples of such cultural elements include symbols of public spirit, distinguished national figures, or representations of prominent moments in the nation's history. Since the *frequency of specific* elements needed to be determined, a quantitative method was also most appropriate to answer this question.

The final research question (Research Question 2) asked what themes are present within Coca-Cola's global advertisements. The best way to determine this was a qualitative method. This allowed specific themes to emerge throughout the coding process which was most appropriate for reaching a conclusion (Krippendorff, 2004).

### DEVELOPMENT OF THE CODING MECHANISM

Codes for this study were developed based on Weber's (1990) guidelines on developing a reliable and valid system of coding. The following steps were included in his methods for content analysis (Weber, 1990, p. 23):

- Define the recording units
- Assess accuracy or reliability
- Test coding on a sample
- Revise the coding rules
- Define the categories

### THE STUDY

Coca Cola is a brand that has become a huge part of pop culture in societies and countries across the world, especially when you think of the American society. It packs "American Dream" in the bottle, which is a symbol of vitality, passion, creativity and optimism. It's no longer just a drink. It's also a tool for expression of spirit by people. A special aspect of Coca Cola's advertisements is that it not only spreads American culture but also appeals to the local consumer's personality. This makes it such a well-recognised brand across so many countries and cultures. Such as the advertising slogan in American homeland is "can't beat that feeling", but in Australia it is "real taste", "Coca-Cola is in the house" in Russia, "Whatever you wish will come true, enjoy Coca-Cola" in India, advertising slogans always reflect the local culture. When Coca Cola connects with the Chinese market, it is more difficult for its localization because there are huge differences between eastern and western culture. However, Coca-Cola finally found a cross-cultural advertising mode and put it on "Chinese red" successfully.

Following are some of the major global Coca Cola campaigns of the last few years that have been analysed extensively for the purpose of this research.

**Open Happiness:** Open Happiness is a global marketing campaign for The Coca-Cola Company that was rolled out worldwide in the first half of 2009, following the company's "Coke Side of Life" advertising campaign.

**Share a Coke:** Share a Coke is a debranding multi-national campaign in the mid 2010s by Coca-Cola, (Australia 2011, Great Britain and Ireland 2013, United States and Canada 2013, México and Colombia 2014, Brazil 2015) where "Coca-Cola" is removed from the bottle on one side, and replaced by the phrase "Share a Coke with" followed by a person's name. The campaign, which uses a list containing 250 of the country's most popular names (generic nicknames and titles are also used in some cases), aims to have people go out and find a bottle with their name on it, then share it with their friends. Users with more unusual names can custom-order a "Share a Coke" bottle with their name from the Coca-Cola web site. The following are the differences between the same two campaigns in China and the US.

### COMPARISON OF ADVERTISEMENT THEMES

- Achievement – The main design element of the advertisement suggests that the product, in China, will create unity which is very important in a collectivist state. In America, on the other hand, it will cause friendships to grow.
- Festivity – In the American culture, the 'Open Happiness' campaign actually implies how Coca Cola creates strong bonds between people in an extremely relaxed state and circumstances. In Chinese ads, however, the same festivity

is portrayed in a more rigid way, pertaining to key features of Chinese culture like an orthodox relationship between opposite sexes. This is much unlike the American culture, where Coca Cola is actually used as an advertising tool to bring the opposite sexes together.

- Nationalism – Chinese ads in general foster very strong nationalistic feelings due to the patriotic sentiments of the average Chinese man. However, American ads focus more on fostering feelings of community and togetherness through a more individualistic way of expression. The use of language in Chinese ads is extremely formal, while the models used are always Chinese. American ads feature people from all nationalities and races because of its diverse population base that Coca Cola needs to target.
- Satisfaction – The main themes of a Coca Cola ad are fun and community. However, the way these feelings are evoked are different in the two countries. In China, for example, the ad from the ‘Share a Coke’ campaign shows to create community bonding by Coca Cola being the reason for two armies to cease the war so that they can share a Coke together. In America, an ad of the same campaign creates community bonding by advertising the drink as more of a feeling rather than a drink. This feature is congruent with the slogans used in each market, i.e., ‘Delicious Happiness’ in China and ‘Taste the Feeling’ in the States.
- Seduction – The American ads suggest that Coca Cola actually brings the opposite sexes together, whereas no such feature is found in the Chinese ads. This is perhaps due to the conservative society found in China as compared to the more open-minded approach found in the States.

### COMPARISON OF DESIGN ELEMENTS

- Colour – The primary colours that are most noticeable in Chinese ads are yellow and red. This is because these colours have unique connotations within China that attract extra attention. For example, yellow implies royalty and power, whereas red is the national colour and is given unanimous respect. The American ads, on the contrary, feature a whole variety of colours as they aren’t attached to any specific colour as such.
- Characters – The characters portrayed in both ads are such that their respective target markets can easily relate to them. For example, Coca-Cola advertisement in China changed its main popular character in local America “Santa Claus” into two children wearing Chinese costume and also joined quite a lot of Chinese elements, focusing on the expression of the philosophy of family first and harmony. Moreover “Dragon”, “paper-cut”, “shadowgraph” and other symbols of Chinese culture often appear in the advertisement.
- Place – The setting in Chinese ads is really formal, whereas American ads have a very informal setting.

### RESULTS OF THE STUDY

Some significant results are described below.

#### Result I: Percentage of Total Advertisements Exhibiting Specific Themes

The results highlight the fact that festivity, among other themes, are present in multiple countries and are not isolated occurrences by which a specific theme was used for one country. Festivity was a theme present in almost forty percent of the advertisements studied, by far the majority theme present in Coca-Cola’s advertisements, according to this research. Satisfaction was present in approximately twenty percent of the advertisements coded. Nationalism or other themes were also present in less than twenty percent of the advertisements studied. Achievement and seduction were each present in only two of the advertisements studied.

One specific example of this is demonstrated in a Coca-Cola advertisement displayed in a Chinese store window. As discussed, the Chinese are largely a high context and emotional people (Pae, Samiee and Tai, 2001).

This particular advertisement shows this plainly and reinforces the results of the “festivity” theme; the advertisement features a number of Tibetan people, arms in the air, on the steep descent of a roller coaster. An advertisement from USA provides another example of Coca-Cola’s aim for festivity. It includes a male and female, both holding bottles of Coca-Cola with smiles on their faces. Because the advertisement lacks other props, scenery, or aesthetics, one possible meaning could be that all one needs is a Coca-Cola to find happiness.

#### Result II: Percentage of Total Advertisements Featuring Human Presence Native to the Country

This study discovered that the presence of people native to a country or culture is much more significant to the presence of non-native people in the selected advertisements. Almost seventy-five percent of the advertisements studied that contained a human presence featured a person or persons native to that culture. Less than fifteen percent featured someone that seemed to be from a more Westernized culture. More specifically, each of the advertisements from China that featured a human





presence was native to their respective cultures; however, the advertisements from the US featured some talent that was native and some that appeared to be of Western, or American, influence, or from a different race or ethnicity.

### **Result III: Percentage of Copy Displayed in Total Advertisements**

The coding for copy present in the advertisements studied resulted in almost seventy percent containing copy. Of the advertisements that contained copy, the large majority, over seventy-five percent, contained less than ten words of copy. If there were more than ten words, it most often included a paragraph or more of copy. This result was a little bit contradictory to general advertising strategies in China, where advertisements tend to be more indirect and ambiguous, as discussed. However, an example of one Chinese advertisement for Coca-Cola contained the phrase, "Make it real," which supports Doctoroff's statement that the Chinese often escape negative situations via dreams and fantasies (2005).

The research highlights the presence of Western appearance as an increasing advertising strategy in the US. One way to include a Western presence is by using copy in English. For example, one advertisement used in the US contained the words, "It's the real thing." According to the results from this study, it is possible that the use of copy was frequent because it is one way to feature a Western presence in global advertising.

### **SUMMARY AND CONCLUSION**

**Limitations:** Because of the limited amount of advertisements that could be located for the two countries used in this study, only six advertisements were selected for each, with a total of twelve advertisements for the whole study. This limited the researcher's ability to accurately predict trends in Coca-Cola's global advertising study that a larger scope of advertisements would have offered. Codes were based on Weber's guidelines for developing a reliable and valid system of coding (1990), but were selected according to the discretion of the researchers as to what would be most reliable, valid and accurate. Even though the results were quantifiable, content analysis does lack some validity because of how codes are selected for individual studies. While the researcher and one additional individual for accuracy tested the codes, greater validity could have been achieved using a greater number of coders.

**Further Recommendations:** The results of this study suggest that further research is needed on Coca-Cola's advertising strategy in the other four steps of the Innovation Decision Process developed by Rogers in 1995. While this study focused on the stage of persuasion, exploration of Coca-Cola's strategy in the stages of knowledge, decision, implementation and confirmation throughout the company's history in each of these countries would provide further insight into the results of this study.

Coca-Cola was the only company used for the purpose of this study because of its success in international markets. However, additional information could have been added had the results been compared to advertisements coded from Pepsi or a similar competitor. This comparison would provide insight into how Coca-Cola's successes compare to its competitors and how advertising strategy may have an effect on that success.

Taking the comparison one step further, it would be helpful to compare Coca Cola against a company native to a specific country such as Wahaha in China. This comparison would provide information about how advertising strategy differs between the companies and how these strategies impact success in a specific country. It may also provide insight into changes that could be made in Coca-Cola's advertising strategy to make it more successful in reaching certain native audiences.

**Conclusion:** Understanding target audience is obviously significant for a brand. It's necessarily for a brand to know the need that its target audience requires. Coca Cola recognized that consumers in different regions have different cultural backgrounds and preferences, especially in China, people desire for auspiciousness, jollification and family psychologically. So the company pays more attention to the psychological needs of consumers rather than spread American culture only. Over the years, Coca Cola's red is still very remarkably well known in the world. A lot of reasons contribute to its success, but as one of the most successful brands in the world, the key elements of success are cross-cultural communication, localization and insistence of its brand value. The mode Coca Cola took is a kind of non-aggressive cultural integration and successfully conquered cross-cultural marketing.

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