

The New Coke story

In the mid-80s Coca-Cola was losing market share to Pepsi and in blind tests people preferred Pepsi. Coca-Cola responded by introducing New Coke. Millions were spent on researching New Coke and the launch. But US consumers reacted unpredictably to the new product. Many hated New Coke and lobbied energetically for the return of Classic Coke. In the hills above Monte Carlo, senior management met to discuss the crisis. The restaurateur served a bottle of Classic Coke wrapped lovingly in red velvet in a wine basket. He uncovered it with the words "The real thing". At this, the chief executive asked the others "What are we doing?" and that was the beginning of the end of New Coke. This story is an example of engaging with what is going on and having the courage to take new action, even if this is different from the original plan.

Rowena Davis