Horizon Consulting

Team Member Name

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Advisor(s): James Hoadley Topic Title: Sustainable Consumption of Coca-Cola Products in Mexico Audience: Coca-Cola's Board of Directors

Sustainable Development Goal

<u>SDG #9:</u> Build resilient infrastructure, promote inclusive and sustainable industrialization and foster innovation.

SDG #12: Ensure sustainable consumption and production patterns.

Executive Summary

Coca-Cola's unwavering position as a giant in the international beverage market has led to its products acquiring unique cultural and economic identities in different parts of the world. In the Southern Mexican city of San Cristobal de las Casas, Coke has transcended being just a branded beverage and become a necessity. In this town, like in other parts of Mexico, Coke undercuts the price of bottled water. This fact, combined with the overall cultural significance of Coca-Cola in Mexico, has led to residents of the city consuming about 2 liters of soft drinks every day on average. Furthermore, the locally situated Coca-Cola bottling facility, operated by FEMSA, in Chiapas adds another dimension to the issue in terms of using up groundwater that makes drinking water even more scarce in the region. The health impacts of this reality are wide ranging, with type-2 diabetes and other sugar-related illnesses becoming the leading cause of mortality. Coca-Cola has created an unjust system of production and consumption that limits the ability to make healthy choices and drains an environment of its resources.

This Mexican town is one example of many underprivileged communities that still face harmful impacts from mass consumption of Coke products. However, due to Coca-Cola's expansive resources and reach, we believe that their company has the potential to act as a catalyst for positive change within communities like San Cristobal de las Casas who depend on Coke. With already established programs dedicated to improving access to safe drinking water and overcoming socioeconomic barriers in destitute communities, there is the opportunity for Coca-Cola to introduce product offerings and services which specifically cater to overcoming the obesity epidemic in the communities, helping them rise out of the poverty that has made them susceptible to unhealthy overconsumption of Coke. In taking a direct hand in addressing the social and health problems that they have caused, Coca-Cola can improve the situation of their constituents in the long-run, enhance their brand perception to those that condemn Coke for their negative impact, and capture a new market need for reducing the obesity epidemic, increasing access to water, and building up communities in need.

Year

Second Year Third Year Third Year Second Year

<u>Major</u>

Business Administration Industrial Engineering Business Administration Business Administration