

Consumer Preferences among Coke Zero, Diet Coke, and Coca-Cola Classic

Prepared for Marketing 4154 to Jenny Jiao

7/1/2009

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Abstract:

There have been recent increases in the aggressiveness of marketing for the Coca-Cola Company's Coke Zero product. According to *Consumer Choices in the Beverage Aisle*, Coke Zero has had higher penetration in the market among men than women. To delve deeper into the subject of reasons why Coke Zero has been more successful among the male population, this research study examines the attitudes of college students towards three different varieties of coke: Coca-Cola Classic, Diet Coke, and Coke Zero.

The survey questionnaire was completed by 113 respondents by way of Virginia Tech's online survey program. The average age in our sample was 20 years old. Respondents were asked to rate Coca-cola Classic, Diet Coke, and Coke Zero in terms of taste, packaging, and calorie preferences. The survey also asked respondents to rate how taste, packaging, and calories factored in to their purchase decisions. We found that in terms of taste and packaging Coca-cola Classic was preferred the most and in terms of calories Coke Zero was preferred the most. Our hypothesis was to see if the connotation of "diet" in sodas affected purchase decisions and attitudes among males. In our study, 62 of the 113 respondents were male. Of these 62, the majority preferred not to purchase or drink diet soda. Half of the male population disagreed that calories were an important factor in purchasing soda. This could explain why previous research has shown less success in Diet Coke sales among men. As for preference of soda in terms of calories, the males ranked Coke Zero as their number 1 preference in our survey.

Research Methodology:

As a group we created a survey questionnaire that we posted via survey.vt.edu. Each member of the group sent out the link to the survey to their fraternity, sorority, and friends through listserv and email. The Virginia Tech online survey program automatically recorded the data for us. We opened the survey to the public on June 24th and closed it on June 30th.

Respondents were asked to rate Coca-cola Classic, Diet Coke, and Coke Zero in terms of taste, packaging, and calorie preferences. The survey also asked respondents how taste, packaging, and calories factored in to their purchase decisions through a series of statements in which respondents answered on a 5-point scale ranging from strongly disagree to strongly agree.

We asked questions regarding whether respondents felt there was a calorie difference among Coca-Cola Classic, Diet Coke, and Coke Zero that was also measured on the same 5-point scale. Following this series of questions, the respondents were given information that stated the exact calorie amount per serving in each of the three sodas. Then we proceeded to ask questions regarding how respondents felt that this information affected their purchase decisions regarding these sodas. These questions were also measured on the same 5-point scale.

For exploratory purposes, there was a free response section in which respondents were asked to provide five words that described Classic Coke, Coke Zero, and Diet Coke. This was used to discover attitudes and feelings towards each product that could also factor into consumer preferences of soda. The final section of the survey asked general

questions about how often the respondents purchase and drink regular or diet sodas. They were also asked to provide their age and gender to purpose of analysis. A copy of the survey questionnaire is provided at the end of this report in the appendix section.

Background:

As a group we have noticed that there have been recent increases in the aggressiveness of marketing for the Coca-Cola Company's Coke Zero product. The company has really been pushing to sell Coke Zero an alternative to drinking Coca-Cola Classic, claiming that it has the same taste minus the calories. In researching this topic, we discovered that according to the 2007 Simmons NCS, women have traditionally been the diet soda consumer, as they lead men 42% vs. 34% in drinking diet cola. Also according to *Consumer Choices in the Beverage Aisle*, Coke Zero has had higher penetration in the market among men than women. We thought that it would be interesting to find out if this applied to the Virginia Tech population as well.

In reality, the calorie difference between Coke Zero and Diet Coke is minimal. The Coca-Cola Company reports on its nutrition reference that Diet Coke contains 1 calorie and Coke Zero has 0.7 calories despite their advertisement claims of 0 calories. To delve deeper into the subject of reasons why Coke Zero has been more successful among the male population, this research study attempted to examine the attitudes of college students towards three different varieties of coke: Coca-Cola Classic, Diet Coke, and Coke Zero.

Literature Review:

Since the 1980's, Diet Coke has mainly been targeted towards the female market segment more than the male segment. The Coca-Cola Company attempted to reposition Diet Coke as a drink that would appeal to males as well, but it was unsuccessful. They

decided instead to create a new low-calorie product altogether that would mainly target men, thus Coke Zero was born.

Coke Zero's marketing campaign aggressively emphasizes that it is a low-calorie product, but without explicitly using the word "diet." In our research we discovered that in actuality there is not much difference in the calorie count between the two soft drinks: Diet Coke has 1.0 calorie and Coke Zero has 0.7 calorie. However, Coke Zero has had more success among the male market segment than Diet Coke, which we found quite interesting. We began thinking that maybe the factor that influences the male purchase decision is the connotation of the word "diet." As we conducted our research we found articles that only touched upon the issue of "diet" on gender purchase decisions. This is the case with the Diet Coke Case Study. They did not go into depth about the topic, which is why we decided to do our research project about it.

According to the study, Diet Coke has always been perceived as a beverage that women typically consume. Since the early 1980's, Coca Cola has focused their marketing strategies to target women over men. Over the past 15 years, the company has spent over £100 million targeting women. Coca Cola is now trying to change its target market to appeal to more males. Redirecting marketing tactics and switching up ad campaigns are some of the things they are doing to increase male awareness.

The case study also talks about Diet Coke's campaign in the United Kingdom. Naming the soft drink Diet Coke Light, as it is referred to in Europe, was an effort made by the company to steer away from the negative male affinity to the word "diet." The study even goes as far as to say that some men are embarrassed to buy diet soda because of the

strong female tendency. In an effort to make the brand more unisex, European countries are changing their marketing campaigns, buying commercial spots during football programming for the first time.

Research has shown that the main concern with consumers is how healthy the product is. Coca Cola is now advertising the beverages' low sugar content. Instead of using the word diet to represent the lower sugar content, they are simply using "Z" for "zero sugar added."

As we mentioned earlier, the Coca-Cola Company came out with a new product called Coke Zero. The article from *USA Today*, discussed this new product in detail as well as comparing it to Diet Coke. According to the article, Coca-cola has seen great success with its new zero calorie soda appropriately called "Coke Zero".

The product, which was introduced in 2005, is targeted to men who seek a low calorie carbonated beverage with the taste of Coca-Cola Classic. In its first two years, Coke Zero has captured nearly 1.3% of the North American carbonated beverage category. Coke Zero has over taken Diet Coke 55% to 45% among men who drink zero calorie Coca-Cola products. One of the reasons for its success is a taste that is closer to Coca-Cola classic than Diet Coke. This is done by replacing part of the popular diet sweetener aspartame with acesulfame potassium. Ace-K as its known, gives Coke Zero a more sugar-like taste than aspartame alone.

The main messaging behind the Coke Zero brand is that it tastes like Coca-Cola Classic. This is the focus of all the advertisements. Research found that the original white cans that housed Coke Zero needed to be replaced with black cans. The new black cans

connoted a stronger and bolder flavor. Taste was not always the focus of its advertising. Originally, Coke Zero had a message to “chill”.

Today Coke Zero has made its way into the mainstream with high-profile product placement and big sponsorship deals. Zero placed ads on *American Idol* as well as placed branded cups on the judges table. Coke Zero has also started catering to men on its website. Recently a Fantasy Football section was added to website attracting sports hungry males. Overall Coca-Cola has a real winner with Coke Zero. With its unique market segment and original marketing strategies, Coke Zero has made its mark in the carbonated beverage industry.

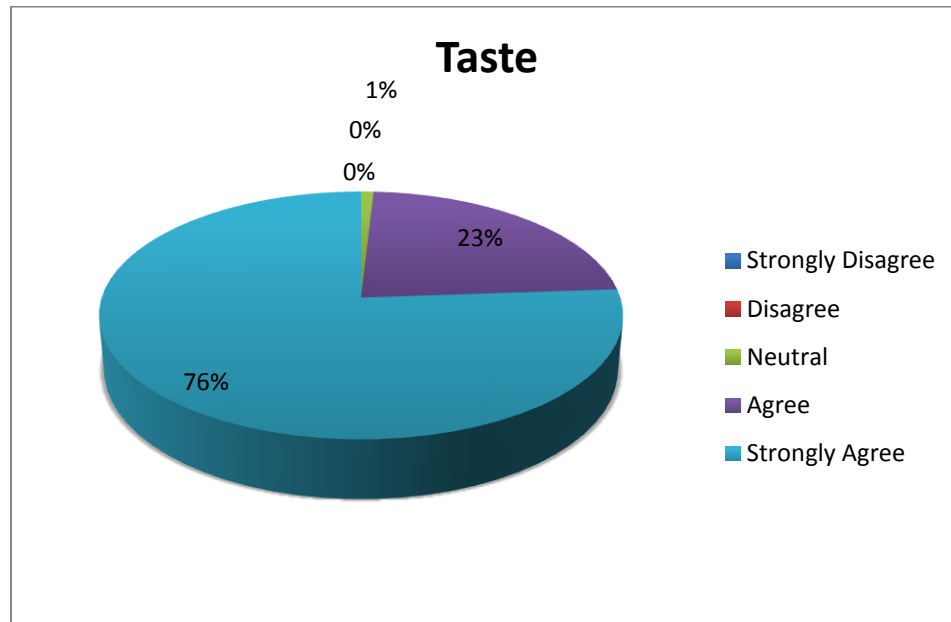
What we concluded from these articles is that Coke Zero has had more success among because of the lack of the explicit use of the word “diet” and because of the improved taste. We think that the influence of “diet” on the gender purchase decision is a more interesting topic than the influence of taste alone. The switch from the white can to a black can for the new coke zero is significant because the white can is more readily associated with diet soda because of the historical use of silver or white cans for diet drinks. It was important for Coke Zero to switch from the white can to avoid being labeled as “diet” in the minds of male consumers. This strategy seems to be effective since Coke Zero has 55% male drinkers versus the 45% of males who purchase Diet Coke. Men seem to shy away from the word “diet” because of its feminine connotation. Instead of trying to reposition Diet Coke as more unisex than feminine, they chose to release an entirely new product with a unique ad campaign that does not include any references to the word “diet”. There has also been many taste studies concerning the preferences among consumers of

different soft drinks and preferred taste. Therefore, our research would be redundant if we researched the topic of taste. We believe that our research project would contribute new information that would add to the Diet Coke Case Study regarding consumer purchase of low-calorie soft drinks.

Results:

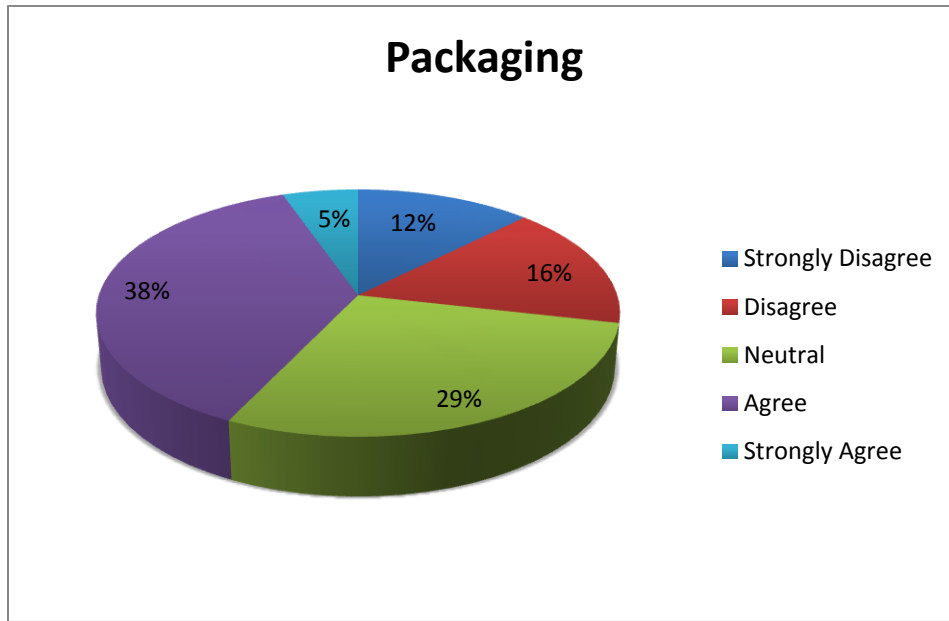
113 people completed our survey about Coke Zero. Of those 113 respondents, 55% were male, 44% were female, and 1% no response. The average age was 20 years old. In our survey, 58% of our sample participants drink soda 1-3 times a week. Concerning their purchase habits, 65% responded that they never purchase diet sodas. We decided to find what factors were important to consumers when deciding to purchase soda.

Figure 1



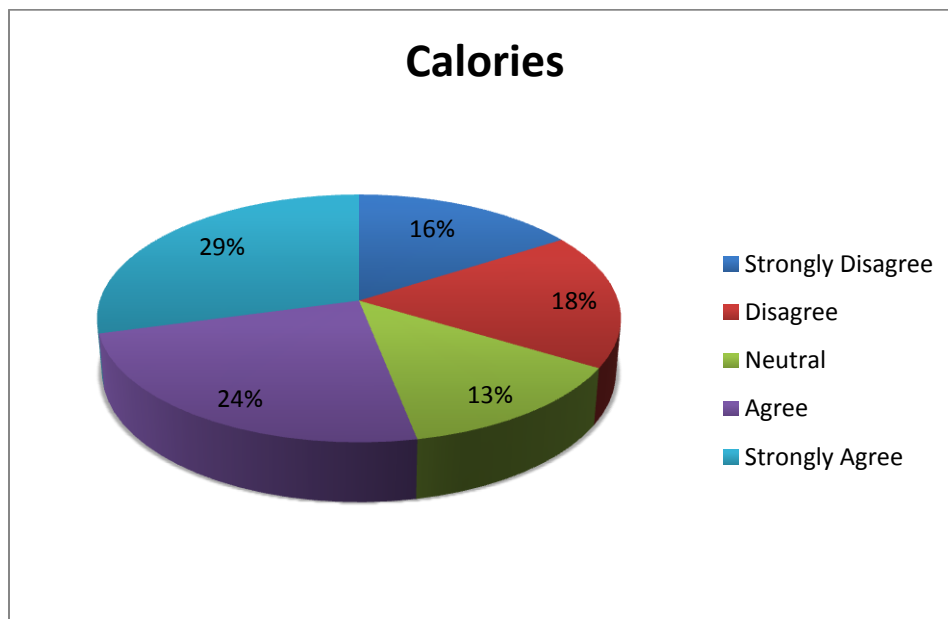
Of the three factors we provided (packaging, calories, and taste), taste had the most impact to their decision. 76% of our sample responded that they strongly agreed that taste of soda is important when making purchase decisions (See Figure 1.)

Figure 2



37% agreed the packaging was an important factor (See Figure 2) and only 29% strongly agreed that calories were an important factor (See Figure 3.)

Figure 3



In regards to consumers' feelings towards regular and diet sodas, it was interesting to see that 45% strongly agreed that they like regular sodas over diet sodas, but when asked if they liked diet sodas over regular sodas only 40% strongly disagreed. There was a 5% discrepancy between the two questions.

We then had our sample rank their preferences for Coca-Cola Classic, Diet Coke, and Coke Zero in reference to the aforementioned factors. 67% ranked Coca-Cola Classic as first choice in taste. 64% of our sample chose Coke Zero as their second choice for taste and 60% chose Diet Coke as their third choice for taste. Concerning packaging, 50% of our sample preferred Coca-Cola Classic, ranking it their first choice. As their second choice, 38% preferred the packaging of Coke Zero. 62% preferred Diet Coke's packaging least. In terms of calorie preference, 63% preferred Coke Zero as their first choice, 62% preferred Diet Coke as their second choice, and 81% preferred Coca-Cola Classic as their third choice.

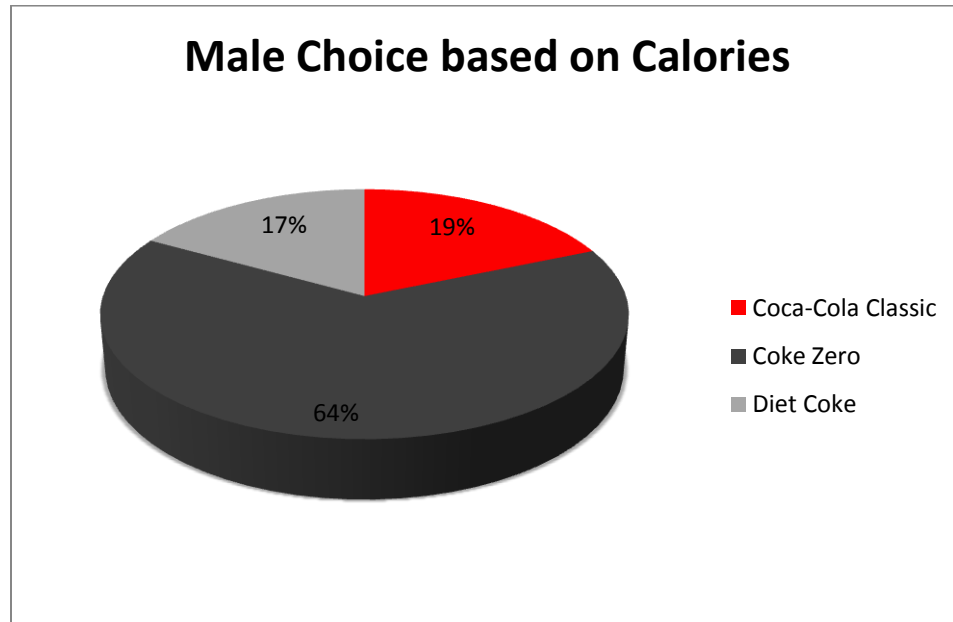
Before informing our sample of the actual differences in calories among the three sodas, we had them respond if they thought there were differences. 51% strongly agreed that they thought there was a calorie difference between Classic Coke and Coke Zero and 49% strongly agreed they thought there was a calorie difference between Diet Coke and Classic Coke. Concerning the calorie difference between Coke Zero and Diet Coke, the responses were more distributed. 32% were neutral, 24% agreed, and 23% disagreed that they thought there was a calorie difference between Coke Zero and Diet Coke. Our sample was then given information regarding the actual calorie differences among the three sodas.

After the respondents were given this information, we asked if this affected their purchase decisions for each soda. 34% disagreed that the new information affected their

purchase decision for Coke Zero and 35% disagreed that it affected their purchase decision for Diet Coke. However, there was a pretty even distribution regarding whether this information affected consumers' purchase decision of Coca-Cola Classic. 20% strongly disagreed, 27% disagreed, 17% were neutral, and 26% agreed with the statement.

As we discovered earlier in our survey, the importance of calories concerning soda is evenly divided and this holds true for the importance of calorie difference among Coke Zero, Diet Coke, and Coca-Cola Classic. 28% disagreed, 24% agreed, 15% strongly agreed, and 22% strongly disagreed that calorie difference was an important factor when deciding among these three sodas.

Figure 4



Our study was mainly interested in the male responses concerning their preferences and purchase decisions of diet soda. Of the male population of our sample, which was 62 males, 69% never purchase diet soda. When asked how often they drink diet soda, 65%

never drink diet soda. 50% of males either strongly disagreed or disagreed calories of soda is an important factor when making purchase decisions. However, their first choice in preference among Coca-Cola Classic, Coke Zero, and Diet Coke in terms of calories would be Coke Zero with 61% (See Figure 4.) 26% of males agree that there is a calorie difference between Coke Zero and Diet Coke.

References:

1. "Attracting men may be the key to growing." Consumer Choices in the Beverage Aisle (Apr. 2008). Mintel. 1 July 2009.
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Appendix:

Coca Cola Survey

INSTRUCTIONS: Thank you for taking the time to complete this survey.

We are interesting in understanding your opinions about soda. Please follow the instructions for each section and read each question carefully. There are 3 sections and it will take you about 5-10 minutes to complete.

Your opinions are very important for us; we appreciate your time and thank you.

The following are images of Classic Coke, Diet Coke, and Coke Zero. Please answer the following questions referring to these images as needed.



Section A: Please indicate your disagreement or agreement with each statement.

The following are factors I find important when deciding to purchase soda.

	Strongly Disagree	Disagree	Neutral	Agree	Strongly Agree
<i>Packaging</i> of the soda	1	2	3	4	5
<i>Calories</i> of the soda	1	2	3	4	5
<i>Taste</i> of the soda	1	2	3	4	5

The following are my feelings regarding soda.

	Strongly Disagree	Disagree	Neutral	Agree	Strongly Agree
I like regular <i>sodas over diet sodas.</i>	1	2	3	4	5
I like <i>diet sodas over regular sodas.</i>	1	2	3	4	5

Please rank your *preference* for Coca-Cola Classic, Diet Coke, and Coke Zero in regards to **taste, packaging, and calories**. Based on 1-3 scales,

1= your most preferred choice

3= your least preferred choice

	Coca-Cola Classic	Diet Coke	Coke Zero
1. Taste	—	—	—
2. Packaging	—	—	—
3. Calories	—	—	—

The following are what I think about the calories in Classic Coke, Diet Coke and Coke Zero.

	Strongly Disagree	Disagree	Neutral	Agree	Strongly Agree
There is a <i>calorie difference</i> between Classic Coke and Coke Zero.	1	2	3	4	5
There is a <i>calorie difference</i> between Diet Coke and Classic Coke.	1	2	3	4	5
There is a <i>calorie difference</i> between Coke Zero and Diet Coke.	1	2	3	4	5

Section B:

According to the Coca-Cola Company's nutrition information, Classic Coke has 97 calories, Diet Coke has 1.0 calories, and Coke Zero has 0.7 calories. Given this information, please indicate your disagreement or agreement with the following statements about your purchase decision.

	Strongly Disagree	Disagree	Neutral	Agree	Strongly Agree
This information affects my purchase decision regarding Coke Zero .	1	2	3	4	5
This information affects my purchase decision regarding Classic Coke .	1	2	3	4	5
This information affects my purchase decision regarding Diet Coke .	1	2	3	4	5

	Strongly Disagree	Disagree	Neutral	Agree	Strongly Agree
Calorie difference is an important factor to me when deciding among Coke Zero, Diet Coke, and Classic Coke .	1	2	3	4	5

Please list **5 words** that come to mind in regards to the following products:

Classic Coke: _____

Coke Zero: _____

Diet Coke: _____

Section C: For the following questions please indicate the answer choice that best describes your habits.

	Never	1-3 times a week	4-6 times a week	Once a day	More than once a day
How often do you drink soda?	1	2	3	4	5
How often do you drink diet sodas?	1	2	3	4	5

How often do you drink regular sodas?	1	2	3	4	5
How often do you purchase soda?	1	2	3	4	5
How often do you purchase regular sodas?	1	2	3	4	5
How often do you purchase diet sodas?	1	2	3	4	5

Gender: _____

Age: _____

Thank you for participating in this survey.