**Case Study: The Impact of Marketing, Discounts, and Seasonal Factors on Coca-Cola Sales (2022-2024)**

**Introduction**

From 2022 to 2024, Coca-Cola's marketing strategies significantly influenced sales volume and revenue across different regions, product types, and seasonal variations. This case study examines key factors such as regional performance, product profitability, discount effectiveness, and sales trends across different days of the week to determine the best strategies for maximizing revenue and profit.

**Marketing Spend and Sales Growth**

Increased marketing investments during this period directly correlated with higher sales quantities. The data suggest that well-targeted marketing campaigns led to stronger brand presence and consumer engagement, driving significant revenue growth.

**Regional Sales Performance**

Sales revenue varied significantly across different regions:

* **South America** was the top-performing region, generating **$3,261,055**, indicating a strong market preference for Coca-Cola products.
* **Europe** had the lowest sales revenue at **$2,771,145**, suggesting potential market challenges such as competition, pricing sensitivity, or lower demand.

These insights highlight the need for region-specific strategies, such as increased promotions or localized marketing in underperforming markets.

**Product Performance: Revenue and Profitability**

Among Coca-Cola’s product offerings:

* **Coca-Cola Classic** led in revenue, contributing **51%** of total sales and generating the highest profit at **$2,333,683**.
* **Cherry Coke** had the lowest revenue contribution at **13%**, with a profit of **$571,632**.

Coca-Cola Classic's dominance suggests it remains the most preferred variant, reinforcing its role as the company’s flagship product. However, Cherry Coke’s lower sales and profit margins indicate the need for targeted promotions or product positioning adjustments.

**Seasonal Impact on Sales**

Temperature played a role in sales distribution:

* **High and moderate temperatures** accounted for **36% of total sales revenue**, suggesting that warmer weather drives demand.
* This trend highlights the potential for seasonally tailored marketing campaigns, such as summer promotions or targeted advertising during peak temperature periods.

**Discount Effectiveness on Sales and Profit**

Discounts influenced sales volume in complex ways:

* **10-13% discounts** led to high sales quantities, indicating an optimal range for discount-driven demand.
* **14-15% discounts** resulted in lower sales volumes than the previous range, suggesting diminishing returns beyond a certain threshold.
* The **5% discount** surprisingly led to higher sales quantity and profit, proving that smaller, strategic discounts can be more effective than deeper ones.

These findings underscore the importance of discount optimization to balance both sales volume and profitability.

**Sales Trends Across the Week**

Sales patterns varied by product and day of the week:

* **Coca-Cola Classic** experienced a **significant revenue spike from Sunday to Saturday**, showing steady, high demand throughout the week.
* **Coke Zero** peaked on **Monday and Thursday**, indicating strong demand at the start and mid-week.
* **Diet Coke** had a noticeable sales peak on **Monday**, possibly due to consumer preferences for healthier options at the beginning of the week.
* **Cherry Coke** saw its highest sales spike on **Saturday**, suggesting it may be a weekend indulgence choice.

Understanding these trends can help optimize inventory management and promotional efforts for each product.

**Key Takeaways and Business Recommendations**

1. **Marketing Investment Pays Off** – Increased marketing spend led to higher sales, proving that consistent brand promotion is critical for growth.
2. **Region-Specific Strategies** – South America’s strong performance suggests Coca-Cola should maintain aggressive marketing there, while Europe requires new strategies to boost demand.
3. **Product Positioning** – Coca-Cola Classic remains the strongest performer, but Cherry Coke may need repositioning or targeted marketing to improve sales.
4. **Seasonal and Weather-Based Promotions** – Warmer months should feature more aggressive advertising and distribution strategies.
5. **Optimized Discounting** – Discounts between 10-13% work best, while smaller discounts like 5% can yield both higher sales and profit. Avoid deep discounting beyond 13%.
6. **Day-Specific Promotions** – Tailoring promotions to peak sales days can maximize revenue. For example, Diet Coke and Coke Zero should have Monday promotions, while Cherry Coke should be pushed on Saturdays.

**Conclusion**

This case study provides a data-driven roadmap for Coca-Cola to refine its marketing, discounting, and sales strategies. By leveraging insights from the past three years, the company can enhance revenue and profitability while catering more effectively to consumer behavior.

PS. This is insights are gotten from a Synthetic dataset