



INSTITUTO  
UNIVERSITÁRIO  
DE LISBOA

---

**Perception Merchandising Strategies in the Soft Drinks Sector: A Case Study of Coca-Cola Europacific Partners**

Joana Rodrigues Nunes Aguiar dos Santos

Master in Marketing

Supervisor:

Prof. Nuno Alexandre dos Reis Teixeira, Invited Assistant Professor,

Department of Marketing, Strategy and Operations

ISCTE Business School

October, 2024





---

Department of Marketing, Strategy and Operations

**Optimizing Merchandising Strategies in the Soft Drinks Sector: A Case Study of Coca-Cola Europacific Partners**

Joana Rodrigues Nunes Aguiar dos Santos

Master in Marketing

Supervisor:

Prof. Nuno Alexandre dos Reis Teixeira, Invited Assistant Professor,

Department of Marketing, Strategy and Operations

ISCTE Business School

October, 2024



## **Acknowledgements**

First of all, I would like to thank my supervisor Nuno Teixeira for his support and encouragement throughout the process, as well as for sharing his teachings with me.

Secondly, I want to express my gratitude to my family, as I wouldn't be the same without them. They are my great pillar. I thank my grandparents for making me promise to continue studying, and here is the promise fulfilled. To my parents, because without them, it would be impossible; they are my pillar, my safe haven, and my biggest fans, always proud of me. This is for you and because of you. To my brother, for unknowingly being a role model.

To my boyfriend, for being a great support and for always encouraging me in everything I do.

And finally, but by no means least, I would like to thank all my colleagues who were willing to participate and share their testimonies. To my leaders, for being an example and a source of inspiration to me, and for supporting me whenever I needed it.

Thank you all!

## **ABSTRACT**

The merchandising process involves understanding consumer needs, identifying and providing the right products or services, deciding the right assortment, planning the distribution of products to different locations and in the right quantities, deciding the price and communicating merchandise offerings to target customers.

The general objective of the work was to determine how Merchandising and Sales Promotion in the soft drinks market could have a positive impact. Throughout the analysis, it was possible to understand how the company responds to consumer needs and how it plans and executes merchandising actions, including product assortment selection, distribution planning for different locations, pricing strategies, and effective communication of merchandise offers to its target audience.

The company studied is Coca Cola Europacific Partners, and the first glass of Coca Cola was served on May 8, 1986, and perfected by Jacobs' Pharmacy in downtown Atlanta. From this iconic drink, the company has evolved into a total beverage company and supplies more than 2.2 billion drinks daily in more than 200 countries.

As for the type of study we carry out, we opted for a qualitative methodology, which results from the characteristics of the phenomenon we intend to explore and understand. Using semi-structured interviews with marketing managers and sales managers to help determine how they affect relationships with consumers, particularly at points of sale.

It was concluded that the communication used in merchandising is very important for attracting customers. This communication can be carried out in masse or for a specific segment and, depending on your objective in terms of targeting, different communication channels will be chosen. Thus, in addition to ensuring elements that affect customer satisfaction with the visit, such as quality of service, good location and ambiance and fair price, those responsible must choose and use means of dissemination protected by the segment - which they intend to attract and their objectives of communication.

**Keywords:** communication, consumers, merchandising, points of sale; marketing; targeting.

**JEL Classification:** M31; M37.

## RESUMO

O processo de merchandising envolve a compreensão das necessidades dos consumidores, a identificação e disponibilização dos produtos ou serviços certos, a decisão sobre o sortido adequado, o planeamento da distribuição dos produtos para diferentes localizações e nas quantidades corretas, a definição do preço e a comunicação das ofertas de mercadoria aos clientes-alvo.

O objetivo do trabalho foi determinar como o Merchandising e a Promoção no âmbito das vendas no mercado de refrigerantes podem ter um impacto positivo. Ao longo da análise, foi possível compreender como a empresa responde às necessidades dos consumidores e como ela planeja e executa ações de merchandising, incluindo a seleção do sortido de produtos, o planeamento de distribuição para diferentes locais, a definição de preços e a comunicação eficaz das ofertas de mercadorias ao seu público-alvo.

A empresa estudada é a Coca Cola Europacific Partners, cujo primeiro copo foi servido a 8 de maio de 1886, aperfeiçoado na farmácia Jacobs no centro de Atlanta. A partir desta bebida icónica, a empresa evoluiu e tornou-se uma empresa global de bebidas, fornecendo mais de 2,2 mil milhões de bebidas diariamente em mais de 200 países.

Quanto ao tipo de estudo realizado, optou-se por uma metodologia qualitativa, resultante das características do fenómeno que se pretende explorar e compreender. Foram realizadas entrevistas semiestruturadas com gestores de marketing e de vendas para ajudar a determinar de que forma influenciam as relações com os consumidores, particularmente nos pontos de venda.

Concluiu-se que a comunicação utilizada no merchandising é de extrema importância para atrair clientes. Esta comunicação pode ser realizada em massa ou para um segmento específico e, consoante o objetivo em termos de targeting, serão escolhidos diferentes canais de comunicação. Assim, para além de garantir elementos que afetam a satisfação do cliente com a visita, como a qualidade do serviço, a boa localização, a atmosfera e o preço justo, os responsáveis devem escolher e utilizar meios de divulgação adequados ao segmento que pretendem atrair e aos objetivos de comunicação.

**Palavras-chave:** comunicação, consumidores, merchandising, pontos de venda, marketing, targeting.

**Classificação JEL:** M31; M37.





## INDEX

Acknowledgements .....	i
LIST OF FIGURES.....	vii
ABBREVIATIONS AND ACRONYMS .....	viii
<b>1. INTRODUCTION.....</b>	<b>1</b>
1.1 Definition and relevance of the study .....	1
1.2 Objectives and research question .....	2
1.3 Project Structure.....	2
<b>2. LITERATURE REVIEW.....</b>	<b>5</b>
2.1 The impact of merchandising on retail sales .....	5
2.1.1. Point of sale management and merchandising .....	6
2.1.2. Merchandising techniques and principles .....	8
2.1.3. Merchandising activities in the food market .....	11
2.1.4. Management Merchandising.....	12
2.2 Merchandising in the soft drinks market.....	15
2.2.1 The soft drinks market in Portugal .....	15
2.2.2 The Explanatory Aspects of Consumer Behavior.....	20
2.2.3 Market trends.....	21
2.3 Competitors .....	24
<b>3.METHODOLOGY .....</b>	<b>27</b>
3.1 Questions .....	27
3.2 Sample .....	27
3.3 Content Analysis.....	27
3.4 Procedure.....	28
3.4.1 Qualitative Analysis .....	28
3.4.2 Interview Protocol .....	28
3.4.3 Ethical Considerations Research .....	29
3.5 Data Analysis.....	30
3.6 The Coca Cola Europacific Partners.....	30
3.6.1 Merchandising in Coca Cola Europacific Partners .....	31
<b>4 RESULTS .....</b>	<b>35</b>
4.1 Interview results.....	35
4.2 Discussion of results .....	39
4.2.1 Research contributions and its implications .....	40

<b>5 PROPOSAL FOR A MERCHANDISING PLAN FOR THE COMPANY.....</b>	<b>43</b>
5.1 Budget.....	47
5.2 Connection to Merchandising.....	48
<b>6 CONCLUSIONS .....</b>	<b>53</b>
6.1 Limitations of the study .....	53
6.2 Proposals for future research .....	54
<b>REFERENCES.....</b>	<b>55</b>
Annex A - Interview guide.....	59
Annex B - Interviews .....	61
Annex C - Transcription of interviews.....	81

## LIST OF FIGURES

Figure 1 - Characterization of the showcases .....	9
Figure 2 - End Cap Red Bull .....	10
Figure 3 - Components of merchandising management.....	14
Figure 4 - FMCG market value data.....	17
Figure 5 - FMCG market volume data .....	18
Figure 6 - MDD in FMCG.....	18
Figure 7 - Mean Temperature .....	19
Figure 8 - Inflation tax % in Portugal .....	24
Figure 9 - Coca Cola Real Magic .....	31
Figure 10 - Merchandising Coca Cola Zero End Cap.....	32
Figure 11 - Merchandising Coca Cola Display.....	33
Figure 12 - Merchandising Coca Cola Oreo Creations FSDU .....	34
Figure 13 - Timetable Part 1 with weeks focused on objectives.....	50
Figure 14 - Timetable Part 2 with weeks focused on objectives.....	51

## **ABBREVIATIONS AND ACRONYMS**

CCEP – Coca Cola Europacific Partners

EMEA – Europe, Middle East, and Africa

FMCG - Fast-moving consumer goods

FSDU – Free-Standing Display Units

MDD – Marca de Distribuidor

NARTD – Non-Alcoholic Ready-to-Drink

POP – Point-of-Purchase

POS – Point-of-Sale

R&MGM – Revenue Margin and Growth Management

ROI – Return on Investment

SSBs – Sugar-Sweetened Drinks

## **1. INTRODUCTION**

### **1.1 Definition and relevance of the study**

Merchandising encompasses several definitions, however literature (acordingto & Orsoni, 1996; Jallais, 1987) commonly associates it with a marketing tool in combination with distribution. Additional authors, including Leão (2000) and Lendrevie (2015) have demonstrated how merchandising constitutes a component of the communication mix, effectively deliver a message to the consumer.

Even though the authors do not reach a consensus on a definition, it is plausible to argue that merchandising is the planning and operationalization of activities that are carried out in commercial establishments, with the objective of exposing consumer goods to create purchase impulses, making marketing distribution actions more profitable (cit. Ferreira et. al., 2015, p.145).

Fundamentally, all successful merchandising is underpinned by a common foundation, which consists of a visible and appealing product and that is because the higher the visibility of a product, the greater the chance of being noticed and, consequently, purchased (Buttle, 1984). Also, the more attractive a product is presented, the greater the chance of being bought (Buttle, 1984).

In recent decades, the industrialization of markets has transformed the marketing paradigm, leading to a mass production through innovative techniques such as Fordism. Historically, a primary obstacle for companies was to identify effective methods to sell large volumes of products. According to Ferreira et al. (2015) the significance of marketing has progressively increased with an emphasis on delivering products to consumers.

In this context, marketing is defined as the execution of business activities that facilitate the flow of goods and services from producers to consumers (AMA, 2013). It encompasses the processes of planning and implementing creation, pricing, communication, and distribution of ideas, products, and services. The main objective of marketing is to establish exchanges that effectively address the needs of consumers (AMA, 2013).

Information regarding the origin of products can improve customer perceptions. In service contexts, customers who receive personal information about the individual responsible for creating the product tend to demonstrate a greater willingness to provide favorable evaluations (Fuschs et al., 2019). Furthermore, in addition to person-related attributes and information centered on services and products—particularly when localized—this data assists suppliers in signaling their identity, relevance, authenticity, and heritage (Gävert, 2020).

## **1.2 Objectives and research question**

The main objective of this study was to determine how merchandising and sales promotion within the soft drinks market can positively influence sales at Coca Cola.

In order to approach the research stated above, we employed a qualitative methodology, which aligns with the characteristics of the phenomenon we sought to analyze and understand.

In an effort to recognize the importance of merchandising within the soft drinks market in the food channel, with a focus on Coca Cola Europacific Partners, this project will aim to achieve the following objectives:

- *Understand* the impact of merchandising on the overall soft drinks market.
- *Ascertain* whether this impact is dependent on various types of merchandising or on the overarching strategy.
- *Evaluate* how Coca Cola currently implements merchandising and to analyze its strategy.
- *Identify* potential improvements that Coca Cola could undertake in its merchandising practices at present.

## **1.3 Project Structure**

This project is organized into five chapters. The first Chapter introduces the topic-based developed throughout the project, establishing the problem within the specific context of the development and articulating its objectives and research questions, which will constitute the starting point for the entire study.

The Chapter 2 comprises the literary review that encompasses two principal topics. Firstly, it examines the impact of merchandising on retail sales, addressing the underlying elements and the primary techniques and activities associated with its various meanings. Secondly, it focuses on promotional strategies at the point of sale within the soft drinks market, specifically in the Brazilian context, while also exploring key consumer behavior models.

The Chapter 3 outlines the fundamental methodological framework for this study, encompassing the hypotheses, sample, the procedures undertaken, which include a qualitative analysis, interview protocols and the ethical considerations in research. Additionally, it incorporates data and content analysis, as well as a case study on Coca Cola Europacific Partners, which elucidates the merchandising practices within the company.

The Chapter 4 presents the results of the interviews conducted, as well as the research contributions and its implication to merchandising.

The Chapter 5 aims to develop a merchandising plan for the company, comprising seven objectives. This plan includes target audiences, budget considerations, and discusses how these elements are interconnected with merchandising strategies.

Finally, Chapter 6 synthesizes the conclusions of the study, including its limitations also some future research.





## **2. LITERATURE REVIEW**

### **2.1 The impact of merchandising on retail sales**

Merchandising is a complex and essential process in retail and marketing that centers on aligning product presentation and communication with consumer needs and overarching business objectives. It encompasses a range of strategic actions, including analyzing consumer preferences, selecting the right assortment of products or services, planning and managing distribution across various locations in appropriate quantities, establishing competitive pricing strategies, and crafting targeted communication for specific customer segments (Bradlow et al., 2017; Inman and Nikolova, 2017).

One of the key challenges in merchandising is capturing consumer attention amidst a competitive landscape where differentiation from competitors is critical. This requires managers to carefully evaluate and utilize communication channels, considering each one's strengths and limitations. Over time, consumer preferences have evolved significantly: while manufacturers traditionally dictated consumer choices, today's marketplace is consumer-driven, with a vast array of options available from numerous suppliers (Gaviria-Marin et al., 2018). As a result, merchandising strategies have increasingly focused on a consumer-centric approach.

The concept of merchandising is often divided into three main perspectives—presentation, seduction, and management—each playing a distinct role in shaping consumer experience and driving purchase decisions. Presentation merchandising focuses on visual appeal, utilizing elements like store layout, architecture, and product displays to create an attractive and cohesive brand image that immediately resonates with consumers. The goal is to visually communicate the brand's unique qualities and capture consumer interest upon entering the retail space, thus encouraging exploration.

Seduction merchandising goes further by leveraging multiple senses to craft an immersive shopping environment. Known as the "show store" approach, it emphasizes sensory cues—such as lighting, scents, music, and decor—to create an emotionally engaging atmosphere that connects consumers to the brand on a deeper level (Hervas, 2013; Castro, 2018). This type of merchandising relies on sensory experiences that subconsciously influence consumer behavior, prolonging engagement and fostering a memorable shopping experience. Through these sensory elements, seduction merchandising fosters an emotional bond with the consumer, making them more likely to make a purchase.

Management merchandising, on the other hand, focuses on the analytical and organizational facets, such as assortment planning, profitability analysis, and spatial arrangement. By aligning inventory with consumer demand, setting prices that reflect both market trends and profitability goals, and optimizing product placement, this approach seeks to enhance both customer convenience and business efficiency. Market analysis and strategic planning guide these decisions, ensuring that the assortment, pricing, and layout contribute to a seamless shopping experience while supporting long-term business objectives.

With the rise of online shopping, merchandising strategies have also adapted to digital platforms. Virtual experiences and digital merchandising tools, such as high-quality images, user-generated content, and personalized shopping features, have become essential for reinforcing brand identity in the online realm (Wallace, 2020). Digital tools, such as filters, product recommendations, and interactive elements, facilitate a personalized shopping journey that aligns with the consumer's individual preferences (Reader, 2020). Through these advancements, merchandising can provide a balance of visual appeal, sensory engagement, and strategic management that caters to today's digital-savvy consumers, effectively creating a unified brand experience across physical and online spaces.

In sum, merchandising today is a sophisticated blend of presentation, sensory engagement, and data-driven management. These facets work together to create a shopping experience that is visually appealing, emotionally resonant, and strategically aligned with business goals, allowing brands to effectively meet the evolving needs of the modern consumer.

#### **2.1.1. Point of sale management and merchandising**

The PFS serves as the focal point for establishing a relationship with the customer, where effective merchandising plays a critical role in fostering a close and optimized relationship with the consumer through effective communication. The PFS is comprised of three key elements that facilitate the sale of any product: the consumer, the product, and the monetary exchange (Silva & Giuliani, undated). Merchandising professionals are tasked with encouraging consumers who enter a specific PFS to purchase the product, employing various techniques to create a connection between the consumer and the product (Shetz, 2012). Moreover, merchandising is the sole communication tool that enables sensory experiences for consumers, allowing them to see, touch, smell, hear, and taste the product.

Information regarding the origin of products can enhance customer perceptions. In service contexts, customers who receive personal information about the individual responsible for creating the product may exhibit a greater willingness to provide more favorable evaluations (Fuschs et al., 2019). Furthermore, in addition to person-related configurations and service- and product-centric information, particularly when local, such details assist suppliers in signaling their identity, relevance, authenticity, and heritage (Gävert, 2020).

Through this localization strategy, the brand becomes more relevant to consumers, who perceive local products as tailored to their needs, thereby enhancing enthusiasm and innovation at the store's touchpoint (Gemzell, 2020; Hagtvedt & Patrick, 2016). According to the artistic infusion effect, the images incorporated into packaging and advertising can elevate the perceived uniqueness, sophistication, and prestige of a particular product.

Several prior scholarly contributions have examined the impact of merchandising initiatives on consumer behavior and market response (Gupta, 1988; Bolton, 1989; Narasimhan et al., 1996). However, the role of merchandising is typically analyzed in an aggregated manner as a spatial representation at the point of sale, often considered alongside the interpretation of external communication stimuli associated with the PFS.

The point of sale represents a strategic approach to achieving a relative competitive advantage, as consumers are more inclined to visit or purchase from stores that effectively capture their attention. Marketers employ point-of-sale tactics to attract a greater number of consumers to the store (Soomro et al., 2017). In this context, literature (Weber & Schutte, 2019) provided numerous practical applications of merchandising analysis at the point of sale, suggesting that these predictions are currently utilized in marketing strategies.

Various methods have been implemented to maximize the time and financial expenditure of shoppers in stores, thereby contributing to cross-category management, efficient aisle construction, equipment display, and overall store layout design. Suppliers engage with retail environments of varying sizes, including shopping centers and hypermarkets, where product sampling at the point of sale fosters a high degree of consumer identification and encourages purchases (Kpossa & Lick, 2020).

Visual merchandising information plays a crucial role in establishing strong brand identities, differentiating products, fostering customer loyalty, facilitating premium sales, and providing suppliers with a competitive defense against rival entities (Fusch et al., 2019). The strategic placement of premium private label products on store shelves significantly influences the supplier's relative standing in comparison to competitors. These premium brands are associated with a positive public image and occupy an important position in the market relative to their rivals (Behera & Mishra, 2017).

### **2.1.2. Merchandising techniques and principles**

There are several methods for presenting goods to customers, each adhering to specific guidelines. The foremost guideline pertains to size; merchandise must align with the store's design and context. For instance, in a newsstand, sports magazines should be grouped together, while fashion magazines should be organized in a separate section (Scussel et al., 2020). Numerous strategies exist for promoting products, ranging from basic placements within aisles to more prominent displays at the store entrance or in windows.

In recent years, considerable research has been conducted on the use of storefronts as a marketing tool and their impact on consumer behavior. These studies have examined how window displays can enhance in-store traffic and influence purchasing decisions (Surjit, 2021; Scussel et al., 2020). The findings underscore the potential of storefronts as a powerful mechanism for suppliers to attract and engage consumers.

Furthermore, recent research has focused heavily on storefronts as marketing tools and their influence on consumer behavior. These studies reveal that window displays significantly increase in-store traffic and can affect purchasing decisions (Surjit, 2021; Scussel et al., 2020). Storefronts have thus become a powerful method for suppliers to attract and engage customers. Additionally, research has expanded into interior design elements such as lighting, space layout, sound, smell, and color, showing their impact on consumer behavior (Lick, 2022).

It was not until the late twentieth century that attention shifted, with researchers beginning to acknowledge the critical role of window displays as a visual communication tool in merchandising. In this context, visual merchandising has the capacity to stimulate consumer curiosity and ignite desire, crafting engaging visual and auditory experiences both inside and outside the store (Mondol et al., 2021). This stimulation not only draws potential customers into the store but also encourages them to share their experiences with friends and acquaintances.

According to Nobbs et al. (2015), visual stimuli employed as a merchandising technique are strategically designed both within and outside the store, capable of evoking emotions and acting as triggers for purchasing behavior (Khaled, Ahmed, Tabash, Al-Homaidi, & Hossain, 2019; Nobbs et al., 2015).

When designing the visual merchandising of a store, suppliers employ a variety of techniques, which Ye (2016) categorizes into five key marketing principles:

Balance – Weight distribution is discussed in this principle. Placement can use asymmetrical balance to highlight design skills or adhere to symmetrical patterns for identical products.

Focus – Making a specific location the center of focus helps attract customers and encourages them to shop at the establishment.

Aspect ratio – Requires proper dimensioning and placement of various visuals and merchandising elements.

Rhythm – Creates the movement of customers' eyes as they move from one section to the next and ensures they will watch the full presentation.

Harmony – The overarching principle that unifies all other principles. Harmony ensures that viewers perceive a connection between each component of the display.

Similarly, color can be a highly subjective and culturally influenced aspect. According to Morgan (2015), creating a visually appealing display necessitates the use of an appropriate color scheme, which comprises a harmonious selection of primary, secondary, and tertiary colors. The implementation of a distinctive color scheme has proven to be effective, particularly when utilizing varying shades of a single color to create a strong and impactful image.

The layout is another critical component of window displays; it should be visually attractive and well-balanced, featuring a clear focal point that captures the viewer's attention (Ye, 2016). Vendors utilize various types of storefront designs, and their effectiveness is contingent upon the target audience and context in which the layout is employed. According to Nobbs et al. (2015), storefronts can be categorized based on:

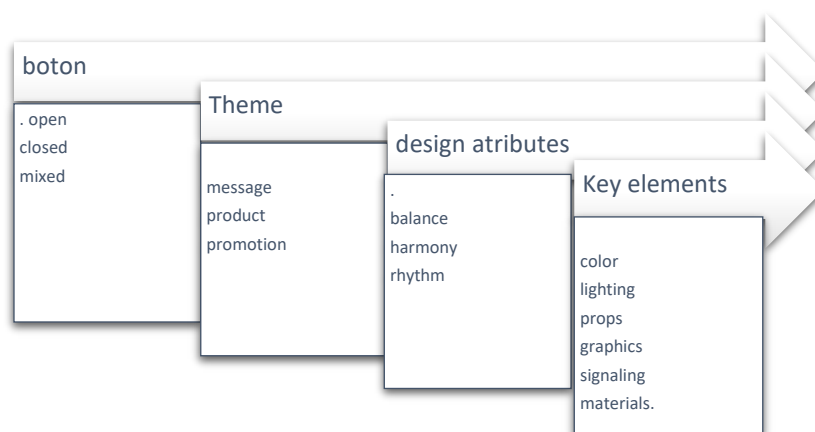


Figure 1 - Characterization of the showcases

Source: Author, (2024).

In addition to the strategic approaches employed by various departments within an organization, one of the most significant elements of merchandising is the utilization of materials at the POS. These materials are essential as they directly engage consumers and influence purchasing decisions when products are physically available and accessible. POS materials encompass a diverse array of tools and displays, including signage, gondola displays, FSDUs, shelf talkers, banners, and digital screens.



Figure 2 - End Cap Red Bull

Source: Author, (2024). *End Cap Red Bull*. Observed at Auchan, Amadora.

The merchandising strategies within the soft drinks market encompass various display types designed to enhance product visibility and promote consumer engagement:

- *Gondola Displays*: These are freestanding shelving units situated in store aisles, offering high visibility and easy access. They are commonly employed to showcase a range of beverages across different price points.

- *Free Standing Display Units (FSDUs)*: These are customizable standalone structures distinct from conventional shelving, ideally suited for promotional campaigns or the introduction of new products.
- *End Cap Displays*: Positioned at the terminus of aisles, these displays emphasize high-margin or seasonal items, effectively capturing consumer attention through strategic placement and promotional materials.
- *Pallet Displays*: These are large structures designed to hold bulk commodities, such as multipacks of water or soda, allowing customers to purchase products directly from the display.
- *Cooler or Refrigerator Units*: Employed for chilled beverages, these devices are strategically placed in convenience stores or near checkout areas to stimulate impulsive purchases of items like soft drinks and energy drinks.
- *Dump Bins*: These bulk bins are intended for promotional or low-cost items, such as soda cans or small juice bottles, and are typically situated in high-traffic areas to maximize visibility.
- *Point-of-Sale (POS) and Point-of-Purchase (POP) Displays*: Located near checkout areas, these units are designed to promote smaller beverage products or trial packs, often in connection with special promotions.
- *Pallet Display*: Frequently utilized due to their substantial size and visual impact, these displays can accommodate a wide range of products, making them ideal for larger retail environments. A quarter pallet, which occupies less floor space, is particularly suitable for stores with limited display capacity, enabling retailers to introduce promotional or seasonal products without requiring a large footprint.

Each of these merchandising materials serves a distinct purpose, from encouraging impulse purchases to enhancing brand visibility and promoting new products. These materials can be customized to align with specific campaign objectives or target customer segments, making them indispensable assets in the competitive the soft drinks market.

### **2.1.3. Merchandising activities in the food market**

In retail environments like supermarkets and grocery stores, food and beverage markets coexist but exhibit significant differences in their strategies to attract customers and influence consumer behavior. While both sectors use pricing and merchandising tactics to affect purchasing decisions, the way these strategies impact consumers varies depending on the type of product.

In the beverage sector, particularly concerning soft drinks, merchandising strategies play a crucial role in capturing consumer attention and encouraging impulse purchases. Product placement and shelf management are essential tools for attracting attention and facilitating spontaneous purchases. Beverages, especially soft drinks, are often bought for convenience or immediate desire, making these tactics effective. In contrast, food products rely more on pricing strategies, where price fluctuations directly impact dietary choices and purchasing behavior. Consumers tend to be more price-sensitive when buying food, looking for promotions and deals to optimize their purchases.

Additionally, marketing practices in the food and beverage sectors employ elements such as product positioning, visual appeals, and auditory prompts to enhance the shopping environment's appeal and dynamism. Food items focus more on nutritional labeling and health claims on packaging, aiming to cater to health-conscious consumers. Soft drinks, on the other hand, leverage striking packaging and innovative displays to stand out in a competitive market, emphasizing convenience, lifestyle, and visual appeal over nutritional information.

In summary, while food and beverages share the same retail space, their customer engagement strategies diverge. Soft drinks rely heavily on visual merchandising and impulse purchases, whereas food purchases are more price-sensitive and driven by conscious decision-making related to health and nutrition (Mollen et al., 2021).

#### **2.1.4. Management Merchandising**

According to Roggeveen & Grewal (2018), eight in-store marketing factors can be identified, comprising four conventional factors and four emerging factors facilitated by omnichannel approaches, particularly through digital signage. Additionally, effective point-of-sale marketing encompasses various strategies, including product placement, signage, and displays (Synek, 2018). Merchandising and discount strategies represent the primary tools at the disposal of retailers to stimulate product purchases within their establishments. Furthermore, retailers also employ external tools, such as advertising brochures, which can effectively lead to product purchases (Parr & Bruin, 2021).



Conventional in-store marketing factors include product placement, which involves strategically positioning items to maximize visibility and encourage impulse purchases. For example, placing popular products at eye level significantly increases the likelihood that customers will notice and buy them. Signage is another crucial element; clear and attractive signs guide customers to promotions and important information, improving their shopping experience. Effective signage can highlight discounts, new products, or special offers, influencing consumer choices and ultimately boosting sales.

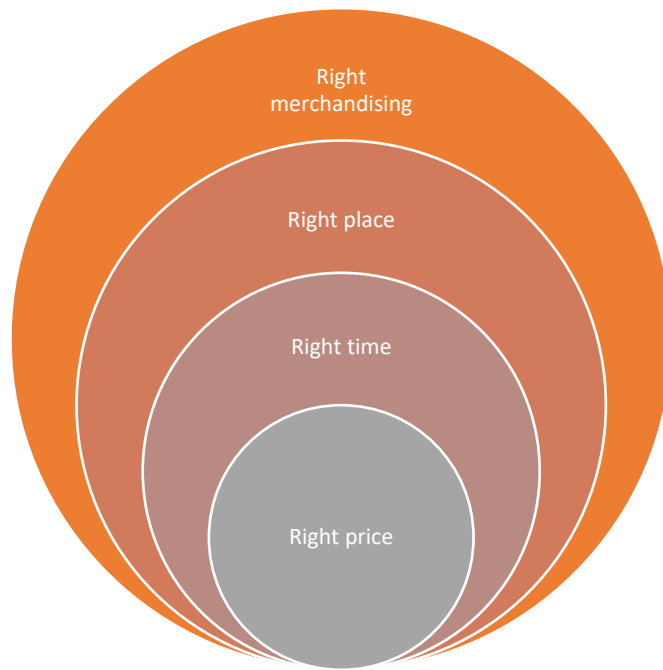
Displays also play a vital role, as well-designed setups capture attention and encourage customers to explore further. These displays serve as focal points in the store, creating a visually appealing environment that motivates purchases.

Emerging in-store marketing factors, such as digital signage, are increasingly important. This technology enables retailers to dynamically update promotional content, allowing them to respond quickly to trends or seasonal changes. Digital signage can showcase engaging visuals, videos, or interactive content that captivates customers, enhancing their shopping experience and potentially increasing sales. Additionally, omnichannel strategies facilitate the integration of online and offline experiences, allowing customers to transition seamlessly between digital platforms and physical stores. For example, a customer who views a product online might find it prominently displayed in-store, reinforcing their interest and increasing the likelihood of purchase.

Merchandising involves the comprehensive process of developing, protecting, pricing, supporting, and communicating the supply of appropriate goods, ensuring they are available in the right locations and at the right prices. This strategic approach ultimately facilitates the achievement of desired profit margins, enabling companies to meet their financial objectives (Sanchez-Flack et al., 2019).

The benefits of effective merchandising and in-store marketing are substantial. Increased sales can be achieved through strategic product placement, signage, and displays, which significantly boost impulse purchases and overall sales volume. An enhanced customer experience results from effective merchandising, creating a more engaging and enjoyable shopping environment that encourages customers to spend more time in the store and explore additional products. Moreover, stronger brand awareness is cultivated through consistent messaging and visually appealing displays, making customers more likely to return.

Finally, data-driven insights can be gathered through the use of digital signage and omnichannel strategies, allowing retailers to collect valuable information on consumer behavior, which can inform future marketing and merchandising efforts.



*Figure 3 - Components of merchandising management*

Source: Author, (2024).

The merchandising management system is designed to monitor the performance of products, documenting successful sellers while identifying underperforming items. This system empowers retailers to make informed and timely decisions regarding their inventory. By utilizing the merchandising management system, retailers can efficiently analyze, order, and distribute merchandise within their stores (Houghtaling et al., 2019). The management system includes almost all the functions of a retail store, such as:

- (a) Merchandise planning
- (b) Purchase of goods
- (c) Sales process
- (d) Commodity price management
- (e) Transfer of goods between shops

## **2.2 Merchandising in the soft drinks market**

The promotional dynamics are designed to foster innovation in products and services while engaging customers to attract, captivate, and enhance their relationship with the brand, ultimately promoting sustained satisfaction. To effectively implement merchandising initiatives, it is essential for suppliers to invest in promotional communication.

Numerous factors influence the relationship between beverages and consumers; while many of these factors interact, no single element can be deemed dominant in the development of adverse consumption patterns. Consequently, the beverage industry, retail establishments, and relevant stakeholders must adopt strategic partnership approaches that incorporate ethical values and legal obligations to market and sell products responsibly.

### **2.2.1 The soft drinks market in Portugal**

The beverage market, as a segment of the consumer goods category, is distinguished by its rapid growth and continuous innovation, driven by high consumer demand and shifting preferences. This dynamic environment is characterized by the frequent introduction of new products and trends, facilitating a high rate of development (Statista, 2024).

The non-alcoholic beverage market in Portugal is characterized by its diversity, addressing a wide range of consumer preferences. Per capita consumption is estimated at 235.4 liters annually, distributed across four primary categories (Consumption Structure in Portugal, 2024):

- Bottled Water (45.7%) – It holds the largest share, accounting for 45.7% of total consumption, or about 107.6 liters per person per year. This dominance reflects a growing preference for healthier options, influenced by campaigns that promote hydration and discourage the consumption of sugary drinks.
- Soft Drinks (39.2%) – It makes up 39.2% of total consumption, equivalent to around 92.3 liters per capita. This category includes carbonated drinks, colas, and fruit-flavoured sodas. Despite the high consumption rate, there is a gradual decline in soft drink intake due to increased awareness of the health risks associated with excessive sugar consumption.
- Fruit Juices and Nectars (6.4%) – Representing 6.4% of total consumption (approximately 15 liters per capita), this category comprises fruit juices and nectars. Although perceived as healthier, many nectars contain added sugars and preservatives, limiting their growth in markets that are more focused on natural and additive-free products.

- Dilutable Beverages (6.5%) – Such as concentrates or syrups that need to be mixed with water, account for 6.5% of total consumption, or around 15.3 liters per capita. While these beverages offer customizable flavour and sugar levels, they have a more limited market presence due to the growing consumer preference for ready-to-drink options.

The data indicates that bottled water and soft drinks collectively dominate the market, accounting for 84.9% of total non-alcoholic beverage consumption. This suggests that, while consumer preferences are increasingly shifting towards healthier options such as bottled water, there remains a substantial consumption of sugary beverages. Growing awareness of the negative effects associated with added sugars, in conjunction with regulatory policies, is likely to influence the future distribution of these categories, potentially favoring further growth in the bottled water segment and a decline in the consumption of sugary drinks (Centers for Disease Control and Prevention, 2023).

Price stabilization plays a crucial role in the growth of the fast-moving consumer goods (FMCG) sector. In FMCG, where products are frequently purchased and typically offered at accessible prices, price consistency is essential for maintaining consumer trust and driving sales volume. When an FMCG brand stabilizes its prices, it communicates a sense of reliability and security to consumers, who come to trust the brand not only for its quality but also for its predictable costs—especially important in markets where customers are highly price-sensitive.

In competitive markets, price stabilization allows brands to compete more strategically. Rather than engaging in price wars that may reduce profit margins and damage brand positioning, companies that uphold stable pricing have the advantage of attracting consumers who value consistency and prefer to avoid price fluctuations. This approach can increase customer loyalty, especially during periods of inflation or economic uncertainty, as customers seek predictability in costs to better manage their budgets.

Moreover, price stabilization supports financial planning and the development of a strong, trustworthy brand in the FMCG sector. With consistent pricing, companies find it easier to manage revenue forecasts, inventory planning, and long-term strategies, enhancing overall business resilience and growth potential.

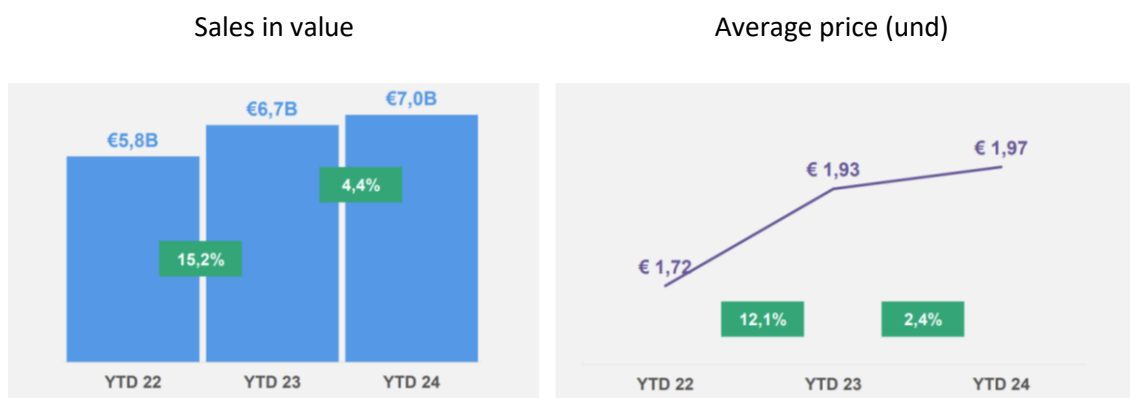


Figure 4 - FMCG market value data

Scoure: NielsenIQ Retail Measurement | PT – TOTAL – RETINTE9 | Entire Dataset

In early 2024, an increase in sales volume is expected, largely due to a shift in shopper behavior as they readjust their purchasing habits in response to price fluctuations and the euro's impact on their budgets. As price changes continue to affect the FMCG sector, consumers are increasingly adapting their spending to prioritize affordability and optimize their spending power. This behavior reflects a trend where shoppers become more selective, seeking greater value for money by focusing on essentials or purchasing in bulk, favoring promotions, and switching to private labels or more affordable brands when necessary.

The euro's exchange rate and overall economic conditions play a pivotal role in this shift. As currency value fluctuates, disposable income is directly impacted, leading consumers to alter their shopping patterns and, in some cases, decrease discretionary spending. The resulting shift drives volume growth in specific product categories—such as essentials and high-turnover goods—while potentially reducing volume in premium or non-essential categories. Brands and retailers that respond proactively by stabilizing prices, offering value-added promotions, or reinforcing price-value propositions are better positioned to capture and retain shopper loyalty during this period of change.

Overall, these dynamics suggest a delicate balance in the FMCG sector, where volume growth is attainable but hinges on strategic pricing, promotional agility, and alignment with the shopper's evolving needs and economic context.

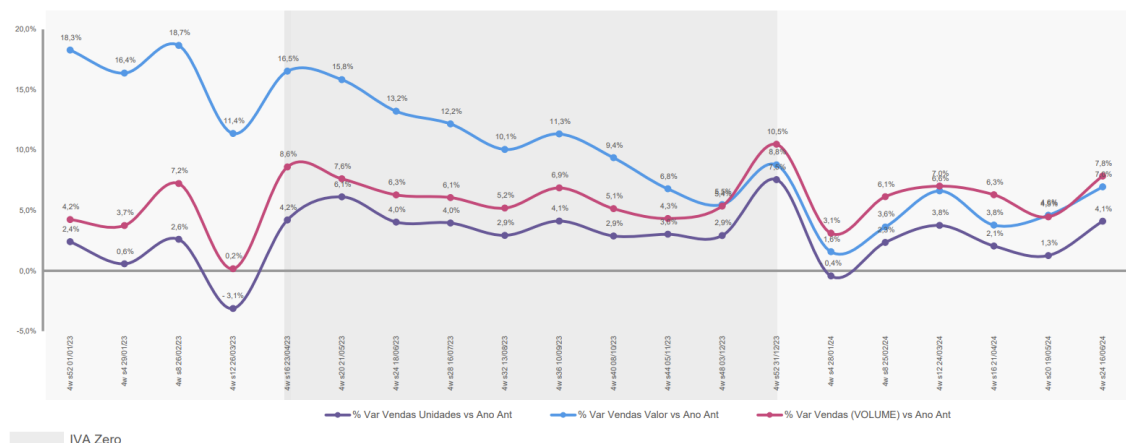


Figure 5 - FMCG market volume data

Source: NielsenIQ Retail Measurement | PT – TOTAL – RETINTE9 | Entire Dataset

In Portugal, private label brands, or "marca própria," have significantly impacted the fast-moving consumer goods (FMCG) market due to their competitive pricing and improving quality. They gained popularity among budget-conscious consumers, supported by major retailers promoting their visibility and marketing.

However, recently, there has been a slowdown in the growth of private label brands. This may be attributed to market saturation, as consumers become less inclined to switch to these products. Additionally, shifting consumer preferences favor established brands known for reliability, especially in categories like food and beverages. Economic factors and rising living costs also influence spending habits, with some consumers opting for premium brands that offer perceived added value.

Increased competition among private label brands has made differentiation challenging, leading to reduced sales growth. Overall, while private labels have influenced the FMCG market, their recent slowdown reflects changing consumer dynamics and competitive pressures, necessitating innovation and improved marketing strategies to maintain their market position.

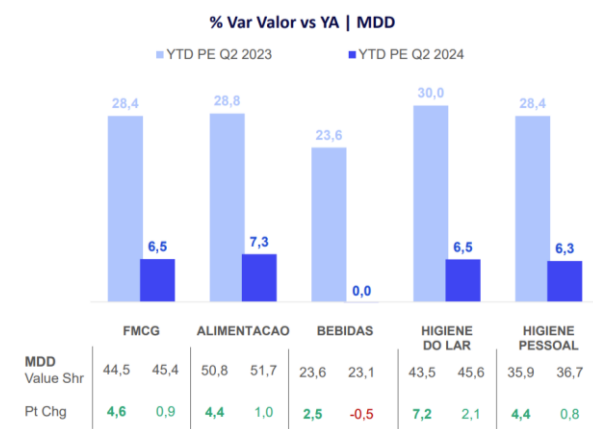


Figure 6 - MDD in FMCG

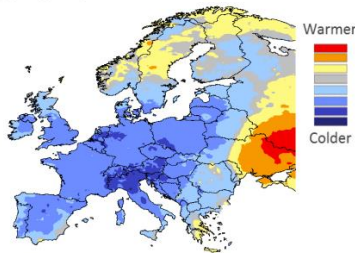
On the other hand, temperature plays a significant role in sales in Portugal. The country experiences a Mediterranean climate, characterized by hot, dry summers and mild, wet winters. As a result, consumer preferences for beverages and food can vary considerably with the seasons and weather conditions.

During the warmer months, there is typically a surge in demand for refreshing drinks, such as soft drinks, iced teas, and other cold beverages. Sales of these products often increase as consumers seek to quench their thirst and cool down. Merchandising strategies during this period should emphasize visibility and accessibility of chilled beverages, perhaps featuring prominent displays in-store and outdoor signage that highlights summer promotions.

Overall, understanding the influence of temperature on consumer behaviour is crucial for maximizing sales in Portugal. Retailers can capitalize on seasonal trends by tailoring their product offerings, promotions, and merchandising strategies to align with current weather conditions, ultimately enhancing the customer experience and driving sales growth.

#### Mean Temperature (°C)

Last Week vs PY w/e 06 Oct 2024



	vs PY	vs 10Y	vs 30Y
Spain	21,2	-2,1	+0,4
Portugal	20,7	-2,8	+0,1
Germany	10,6	-4,8	-2,3
United Kingdom	11,8	-3,2	-0,5
France	13,2	-4,0	-1,5

This Week w/e 13 Oct 2024

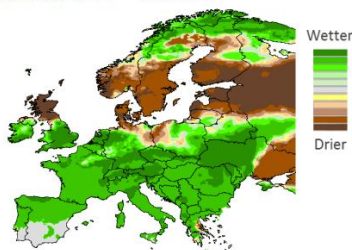
	vs PY	vs 10Y	vs 30Y
Spain	19,0	-2,3	-0,9
Portugal	17,9	-4,3	-1,9
Germany	12,5	-2,7	+0,4
United Kingdom	10,3	-2,2	-1,8
France	13,9	-3,7	-0,4

Next Week w/e 20 Oct 2024

	vs PY	vs 10Y	vs 30Y
Spain	17,7	-1,4	-1,0
Portugal	17,8	0,0	-0,6
Germany	10,3	+0,2	-1,5
United Kingdom	11,0	+0,1	-0,5
France	12,2	-2,2	-1,8

#### Precipitation (mm)

Last Week vs PY w/e 06 Oct 2024



	vs PY	vs 10Y	vs 30Y
Spain	10	+10	+3
Portugal	16	+16	+9
Germany	21	+13	+7
United Kingdom	31	+11	+3
France	13	+12	0

This Week w/e 13 Oct 2024

	vs PY	vs 10Y	vs 30Y
Spain	40	+38	+31
Portugal	55	+45	+36
Germany	29	+6	+18
United Kingdom	32	+4	+13
France	34	+32	+26

Next Week w/e 20 Oct 2024

	vs PY	vs 10Y	vs 30Y
Spain	45	+6	+25
Portugal	8	-121	-31
Germany	16	-9	+4
United Kingdom	13	-41	-8
France	22	-4	+11

Figure 7 - Mean Temperature

Source: Smith institute sales attribution generated 07.10.24 from weather trends 360 data

### 2.2.2 The Explanatory Aspects of Consumer Behavior

SSBs constitute a significant source of added sugars in the diet. Regular consumption of these drinks is associated with several adverse health effects, including weight gain and obesity, as the increased sugar intake from **beverages** contributes to excessive caloric consumption. Frequent consumption of sugary drinks elevates the risk of developing type 2 diabetes due to rapid spikes in blood sugar levels. Moreover, even moderate intake of sugary beverages is linked to a heightened risk of cardiovascular disease. Excessive sugar consumption can also lead to the accumulation of fat in the liver, resulting in non-alcoholic fatty liver disease. Additionally, high sugar content in beverages promotes dental erosion and cavities.

Sugary beverages possess a significant hedonic appeal, rendering them particularly conducive to impulse purchases. Effective marketing strategies, including strategic product placement and promotional displays, exert a considerable influence on consumer behavior, often leading to increased consumption of these beverages. The non-alcoholic ready-to-drink (NARTD) industry is undergoing a transformation as consumers become more health-conscious. Consequently, there is a growing demand for beverages with reduced sugar content or alternative sweeteners. In response, brands are reformulating products and highlighting health benefits to align with this evolving consumer preference. (Dellegrazie, 2023).

An increasing number of governments and health organizations are focusing on reducing sugar consumption through various strategies. These include implementing taxes on sugar-sweetened beverages to discourage consumption, mandating clear labeling of sugar content to inform consumers, and launching public health campaigns to raise awareness about the risks associated with excessive sugar intake.

In light of the serious health issues linked to high sugar content in NARTD beverages, consumer behavior and market trends are evolving. While effective merchandising can influence purchasing decisions, there is a growing demand for healthier alternatives, coupled with legislative measures aimed at mitigating the adverse health effects of these products.

Consumer decision-making for sugary beverages is influenced by various factors, including pricing, promotions, brand loyalty, and health consciousness. Different consumer segments respond to marketing tactics based on their preferences; health-conscious individuals tend to prioritize lower-sugar options and seek brands promoting health benefits. In response, brands are reformulating products to align with these consumer expectations.



Price sensitivity plays a significant role, especially with discretionary purchases like sugary drinks. Promotions such as discounts or bundle deals can drive impulse purchases, further enhanced by effective merchandising techniques like attractive displays and strategic placement.

Brand loyalty is also crucial, as some consumers may favor specific brands due to past experiences or emotional connections, sometimes prioritizing these preferences over price. However, as awareness of health issues related to sugar rises, even loyal customers may shift toward healthier alternatives, prompting brands to innovate.

Additionally, external factors, including government regulations and public health campaigns, are increasingly shaping consumer behavior. Initiatives such as sugar taxes and clear labeling educate consumers about health risks, fostering a more health-aware market.

Overall, consumers make purchasing decisions based on a mix of segment preferences, pricing strategies, promotions, brand loyalty, and external influences. As health consciousness grows, there is a rising demand for healthier beverage options, prompting brands to adapt their marketing strategies accordingly (Dellegrazie, 2023).

### **2.2.3 Market trends**

At present, the FMCG market is undergoing significant changes, driven primarily by new consumer demands and technological innovations. There is a growing demand for practical, easily accessible products due to consumers' increasingly fast-paced lifestyles. This includes the proliferation of ready-made meals and quick delivery services through apps like Uber Eats, as well as supermarkets offering a wider range of ready-to-eat food options (GoodsChecker, 2023).

Healthy products continue to gain popularity, with consumers seeking items that promote wellbeing, such as plant-based milk alternatives, lab-grown meats, and gluten-free or allergen-free options. Even consumers without dietary restrictions are opting for these products due to perceived health benefits (QodeNext, 2023).

Additionally, environmental awareness is at the forefront of purchasing decisions. Consumers are increasingly inclined to choose products from companies that adopt sustainable practices, such as using recyclable or compostable packaging. Furthermore, businesses are responding to the demand for "green" and ethical products, focusing on reducing their environmental impact and promoting a circular economy (QodeNext, 2023).

<b>Political</b>	Portugal's recent government is facing uncertainty after presenting an unapproved state budget. This situation poses challenges for FMCG companies, as they are unsure about potential changes to taxes and regulations. The lack of clarity may hinder their ability to predict costs and develop pricing strategies, while also affecting consumer confidence. Political volatility could disrupt supply chains and lead to fluctuations in raw material prices. Companies must stay alert to these changes and adapt swiftly to mitigate risks and seize opportunities.
<b>Economic</b>	Economically, Portugal is currently experiencing a period of inflation that has compelled companies to raise prices. In response, consumers are increasingly opting for cheaper products or promotions, leading to a rise in promotional activities and an increase in the purchase of smaller baskets. This shift reflects a change in consumer behaviour as they seek to manage their budgets amid rising costs. Companies in the FMCG sector must navigate this landscape by adapting their pricing strategies and marketing efforts to attract price-sensitive customers.
<b>Social</b>	On a social level, consumers are increasingly making cost-effective choices, leading them to adopt more pragmatic decision-making. Faced with rising prices and economic uncertainty, shoppers are prioritizing value and seeking affordable alternatives. This shift in behavior reflects a broader trend towards practicality, as consumers focus on essential items and promotions rather than luxury goods. As a result, FMCG companies must adapt their offerings to meet the demand for budget-friendly options while still delivering quality to retain customer loyalty.
<b>Technological</b>	As the market evolves, companies are increasingly compelled to update their technological processes to reduce costs and boost sales. This shift is exemplified by the rise of Industry 4.0, which integrates advanced technologies such as automation, artificial intelligence, and data analytics into production and supply chain management. By adopting these innovations, FMCG companies can enhance operational efficiency, improve inventory management, and better understand consumer behaviour. This not only helps in cutting costs but also enables businesses to respond more swiftly to market demands, ultimately driving sales growth.

<b>Environmental</b>	FMCG companies face growing pressure to adopt sustainable practices as consumers become more environmentally conscious. This shift has led businesses to reduce packaging waste, use recyclable materials, and source ingredients responsibly. Additionally, companies are working to lower their carbon footprints by optimising supply chains and investing in renewable energy. Prioritising sustainability not only meets consumer demand but also enhances brand reputation and can reduce costs, making it essential for competitiveness.
<b>Legal</b>	At the legal level, regulations such as sugar taxes and price controls significantly impact FMCG companies. Governments are implementing sugar taxes to combat obesity and promote healthier choices, while price controls ensure fair competition and protect consumers from price gouging. These legal measures require companies to adapt their pricing strategies and product formulations, affecting profitability and market positioning. As a result, businesses must navigate this complex legal landscape to remain compliant while meeting consumer needs.

Table 1 - PESTEL

When inflation stabilizes or decreases, consumer confidence typically rises. As inflation rates decline, consumers often feel more financially secure, encouraging them to spend more and invest in non-essential items. This boost in confidence stimulates demand, creating opportunities for fast-moving consumer goods (FMCG) companies to adjust their market strategies. Rather than focusing solely on budget-friendly products, they can diversify their offerings to include higher-value items as consumers regain purchasing power. This shift also allows for greater experimentation with product innovation and differentiation, catering to a renewed consumer interest in variety and quality over price alone. Thus, inflation stabilization not only alleviates financial pressure on consumers but also fosters a favourable environment for companies to grow by tapping into a broader, more diverse demand.

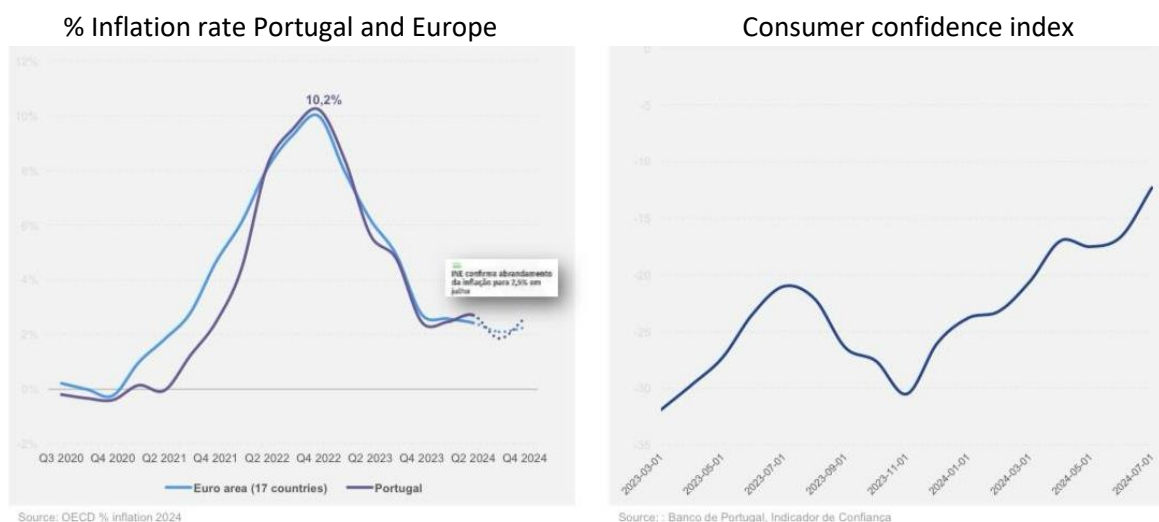


Figure 8 - Inflation tax % in Portugal

Source: OECD % inflation 2024 – Nielsen

## 2.3 Competitors

Currently, the main competitors of Coca-Cola in Portugal are indeed PepsiCo and Sumol Compal. PepsiCo is Coca-Cola's primary direct competitor, offering a variety of soft drinks, including Pepsi, 7UP, and other beverages. The brand has a strong presence in the Portuguese market and competes fiercely, particularly in promotional campaigns and product innovations.

Sumol Compal is well-known for its juice and soft drink brands, such as Sumol and Compal. Sumol, in particular, is very popular in Portugal and offers a wide range of flavours in its soft drinks and waters, attracting consumers seeking alternatives to traditional sodas. The company also stands out for its emphasis on natural and lower-sugar products, aligning with healthy consumption trends.

These competitors, along with the increasing demand for healthier beverages and lower-sugar options, compel Coca-Cola to continuously innovate and adapt its strategies to maintain its market leadership.

Pepsi and Sumol employ distinct merchandising strategies in Portugal to maximize product visibility, boost sales, and strengthen consumer connections.

Pepsi focuses on brand activation through advertising campaigns that are often accompanied by point-of-sale promotions, including discounts, bundle offers, and contests to encourage purchases. The brand creates interactive experiences at events, festivals, and concerts where consumers can sample products, fostering emotional connections, especially with younger audiences.

Pepsi also utilizes eye-catching displays in supermarkets and convenience stores designed to capture consumer attention, often featuring custom refrigeration, banners, and merchandising that highlight new flavors or promotions. Strategic partnerships and sponsorships with sports and cultural events enhance brand visibility and reinforce its image, often accompanied by on-site merchandising. Additionally, Pepsi emphasizes sustainability and social responsibility through initiatives communicated at the point of sale, such as recycling campaigns. (Coca cola, 2024)

On the other hand, Sumol adopts a local appeal by promoting itself as a Portuguese brand. This strategy is reflected in its marketing campaigns, which often highlight authenticity and cultural connections. Sumol uses thematic merchandising related to local festivities and cultural events, particularly during the summer, to emphasize the refreshing qualities of its products. The brand also employs vibrant, attractive displays in supermarkets and beverage outlets to showcase its variety of flavours. Promotions and tastings in stores allow consumers to sample products before purchasing, which not only drives sales but also enhances brand recognition. Sumol invests in consumer engagement through social media and marketing efforts that encourage customers to share their experiences with the brand, contributing to community building around Sumol. (Compal Sumol, 2024)

In summary, both Pepsi and Sumol tailor their merchandising strategies to their target audiences and the cultural context of Portugal. While Pepsi emphasizes brand activation and interactive experiences, Sumol focuses on local connection and authenticity. These approaches, along with strong point-of-sale visibility and promotions, help to reinforce the presence of both brands in the market.



### **3. METHODOLOGY**

#### **3.1 Questions**

The question the study seeks to address is whether at the end of the day the consumer purchases the product. This is explored through an analysis of the impact that merchandising has on the soft drinks market and how it operates specifically within the Portuguese market, focusing particularly on Coca Cola.

#### **3.2 Sample**

To conduct the interviews, I selected a sample from within the company, which included individuals from the commercial return area who work on the entire trade marketing side, where merchandising is planned and implemented, as well as the commercial director to provide an overview of the entire business, emphasizing the importance of merchandising in the beverage industry.

I conducted interviews with individuals not only in trade marketing but also in sales, inquiring about the influence of merchandising on sales and its current necessity. Furthermore, I explored potential improvements in this area. I also benefited from the participation of the R&MGM department, which possesses expertise in insights and market data, enabling them to assess the impact of promotional campaigns using merchandising materials and to identify the nature of those effects. Fundamentally, I interviewed 13 individuals from the company in total.

#### **3.3 Content Analysis**

To conduct the analysis, we drew upon the guidelines established by several authors (Bogdan & Blikien, 1994; Bardin, 2004; Guerra, 2006), who unanimously assert that this technique or set of techniques represents the most suitable process for transforming the data obtained from semi-structured interviews into a corpus of relevant information capable of supporting grounded interpretations.

According to Bardin (2004), content analysis can be regarded as a collection of methods for analyzing communication, designed to yield indicators—whether quantitative or qualitative—through systematic and objective procedures for describing the content of messages. These procedures facilitate the inference of knowledge regarding the production conditions and reception (inferred variables) of the messages.

Following the transcription of the interviews and the application of the established protocols, an initial comprehensive reading was conducted to analyze and interpret the text, facilitating the flow of impressions and insights. In this study, the recording units are semantic or thematic in nature, as they pertain to the meaning of the words or phrases within the messages.

After the transcription and analysis of all the interviews, it became evident that there is a degree of homogeneity within the written corpus, both in terms of content and the subjects' modes of expression. These interviews indeed provide rich and distinctive testimonies.

### **3.4 Procedure**

During the interviews, efforts were made to facilitate an open dialogue, free from external constraints, allowing participants the liberty to respond to questions at their discretion. The duration of the interviews varied between 30 and 90 minutes, and all sessions were successfully conducted.

#### **3.4.1 Qualitative Analysis**

A qualitative methodology was chosen based on the characteristics of the phenomenon intended for exploration and understanding. As noted by *Fortin (2003)*, the objective of a case study is to report facts, describe situations, and provide insights regarding the phenomenon. Additionally, a quantitative methodology was employed to gather statistical data.

#### **3.4.2 Interview Protocol**

To gather the interviewees' perspectives on the objectives, an interview guide was developed. The creation of a script is essential for guiding data collection and may be adjusted throughout the development, as certain questions may hold greater significance depending on the interviewee. As *Estrela (1994)* suggests, a script with a flexible structure should be established, allowing for additional questions to be posed during the interview if necessary. This structure also facilitates the free expression of ideas and perspectives while ensuring alignment with the intended objectives.

For each script, a list of themes will be organized into thematic blocks. Each block will outline specific objectives and include potential guiding questions formulated for the interview. Some questions are designed to allow study participants to respond in their own way, aiming to elucidate and clarify their viewpoints regarding the relevant topics.



In this study, a semi-structured interview approach, also referred to as semi-directive (Quivy & Campenhoudt, 1992), was employed to provide interviewees with considerable freedom in addressing the topic at hand. The use of open-ended questions enables participants to express themselves freely, encouraging creativity and the reformulation of their responses. Simultaneously, this format guides interviewees to align their answers with the research objectives and questions. This approach allows participants the flexibility to develop their responses in a manner they deem appropriate, facilitating an exploration of the aspects they consider most relevant in a comprehensive and adaptable manner.

Another rationale supporting the choice of this interview format is that it indirectly facilitates the interviewer's ability to assist the interviewee in providing information more clearly and objectively. As noted, "when using a script, qualitative interviews offer the interviewer a considerable range of themes, enabling the exploration of various topics and allowing the participant the opportunity to shape their content" (cit. Bogdan & Biklen, 1994, p. 135).

According to literature (Duarte, 2004; cit. Neves & Domingues, 2007, p. 62), semi-structured interviews utilize a "simple script, allowing the interviewer to ask questions according to the course of the interview". This technique is recognized (Minayo, 2004; cit. Neves & Domingues, 2007, p. 62) as one that "enables the collection of objective information and, more than that, allows for the capture of the subjectivity embedded in values, attitudes, and opinions".

### **3.4.3 Ethical Considerations Research**

Every study involving individuals generates ethical and moral concerns that must be addressed throughout the development. Ethical considerations are critical in ensuring participants' confidentiality and anonymity. Researchers have a personal and professional obligation to maintain high ethical and moral standards.

All ethical requirements for this inquiry were met, with a focus on respecting participants' rights and freedoms. The participating institutions collected data independently, ensuring that participants were aware of the voluntary nature of their participation and the anonymity of their information (Streubert & Carpenter, 2002). Participants were informed about the preparation of the full transcript of the interview and its return for reading, allowing for any changes and comments they deemed necessary.

Personal and professional data from all respondents will be collected in each interview for subsequent coding, thus guaranteeing their confidentiality and anonymity. The characterization aspects collected are exclusively of socio-professional interest to the study participants, academic and professional qualifications, as well as length of service.

### **3.5 Data Analysis**

Data analysis entails the systematic organization of material collected in the field with the objective of enhancing the understanding of the phenomenon. This analysis involves 'working with the data, organizing it, dividing it into manageable units, examining its syntax, identifying patterns, uncovering significant aspects, determining what should be learned, and making decisions regarding what is conveyed to the groups (Bogdan & Biklen, 1994).

### **3.6 The Coca Cola Europacific Partners**

Coca-Cola dominates the soft drinks market in Portugal, excelling in both sales volume and brand recognition. With a long-standing history in the country, the brand has established a strong emotional connection with consumers, making it a preferred choice across various age groups and demographics.

The company is led by Coca-Cola Europacific Partners (CCEP), responsible for the distribution and marketing of Coca-Cola products in Portugal. CCEP is one of the largest independent Coca-Cola bottlers globally, operating in multiple European countries. This extensive distribution network enables Coca-Cola to maintain a significant presence in retail outlets, including supermarkets, convenience stores, and restaurants.

Coca-Cola offers a diverse product portfolio that includes not only traditional soft drinks like Coca-Cola Original and Coca-Cola Zero but also iced teas, tonics, and energy drinks. This variety caters to different consumer preferences and the increasingly important health trends. Portuguese consumers are becoming more health-conscious, prompting Coca-Cola to invest in expanding its offerings of lower-sugar and lower-calorie options.

The company also heavily invests in marketing campaigns that resonate with local culture. These campaigns often incorporate Portuguese traditions and seasonal events, helping keep the brand relevant throughout the year. Furthermore, Coca-Cola has committed to sustainable practices, focusing on reducing plastic waste and promoting recycling, which resonates well with environmentally conscious consumers.



*Figure 9 - Coca Cola Real Magic*

Source: Business Times

### **3.6.1 Merchandising in Coca Cola Europacific Partners**

Coca Cola has consistently worked to enhance its market presence through the implementation of distinctive and effective merchandising materials. This strategy allows the brand to maintain high visibility at the POS, which is critical in the highly competitive beverage industry. Coca Cola has experimented with different display formats, materials, and designs to capture consumer attention, particularly during promotional campaigns or product launches.

However, despite these efforts, Coca Cola's marketing approach still makes heavy use of cardboard for in-store displays, which often include detailed information aimed at engaging customers. This conventional method may be seen as excessive, given that Coca Cola is a well-established brand that may not require such complex advertising. Considering the brand's popularity and iconic status, a more simplified and streamlined appearance might resonate better with contemporary consumers who prioritize simplicity and sustainability.

Moving forward, Coca Cola must achieve a balance between compelling communication and more streamlined, sustainable retail strategies, while preserving the brand's iconic status and market relevance. This shift could involve *reducing excess material* and emphasizing *clear, concise messaging* that highlights the brand's heritage and the core value of its products, which are already well recognized by consumers.



Figure 10 - Merchandising Coca Cola Zero End Cap

Source: Author, (2024). *End Cap Coca Cola Zero*. Observed at Auchan, Cascais.



Figure 11 - Merchandising Coca Cola Display

Source: Author, (2024). *Permanent Display*. Observed at Modelo, Belas.

Coca Cola's operations in Portugal are integrated within its Europe, Middle East, and Africa (EMEA) segment, which encompasses approximately 2.1 billion consumers worldwide. The company collaborates with bottlers like Coca Cola Europacific Partners (CCEP), which oversee local production and distribution, including in Portugal. This strategy enables Coca Cola to concentrate on marketing and brand development while the bottlers manage logistical operations.

In terms of sales and market segmentation, Coca Cola's offerings include well-established brands such as Coca Cola Classic, Coca Cola Zero Sugar, Fanta, Sprite, and its range of bottled waters and juices (Coca Cola, 2024). Within the broader European market, sparkling soft drinks serve as a major growth driver, with Coca Cola Zero Sugar demonstrating consistent global expansion. Additionally, the company has prioritized the introduction of healthier options with reduced sugar content and new flavour variations (Coca Cola, 2024).

The merchandising strategy in Portugal is consistent with Coca Cola's global approach, emphasizing cohesive branding across all touchpoints, including physical displays in retail environments and digital campaigns. The company prioritizes visual merchandising, particularly in cold storage sections of supermarkets, where its beverages are prominently displayed alongside those of competitors to attract consumer attention. Furthermore, targeted campaigns and events, such as Coca Cola's seasonal promotions or special product launches, frequently occupy significant shelf space (Coca Cola, 2024).

Coca Cola's marketing strategy incorporates both traditional merchandising and innovative consumer experiences, effectively blending physical store displays with digital marketing initiatives. This approach enables the brand to maintain a prominent presence in key retail environments while fostering consumer loyalty through targeted campaigns (Coca Cola, 2024).

By emphasizing brand consistency and leveraging both global campaigns and local nuances, Coca Cola has successfully increased its market share in the NARTD category across Europe, including in Portugal. Also, by combining a focus on brand consistency and leveraging both global campaigns and local nuances, Coca Cola has been able to increase its market share in the NARTD category in Europe, including in Portugal (Coca Cola, 2024).



Figure 12 - Merchandising Coca Cola Oreo Creations FSDU

Source: Author, (2024). FSDU. Observed at Continente, Guimarães.

## 4 RESULTS

### 4.1 Interview results

In the first category, “How is the soft drinks market in Portugal characterized in terms of merchandising”, the aim was to explore respondents' perceptions of the Portuguese soft drinks market regarding merchandising. The responses primarily centered on constructs such as dynamism, diverse perspectives, and an active market, as noted:

- “Merchandising is Power because only Coca Cola has a different vision, we don't see others activating merchandising in terms of advertising” (E1).
- “It's Super dynamic and unlike other categories, they are a very frequent consumption category and there are many dynamics and activations of the various brands” (E2).

On the contrary:

- “Innovative market” (E5).
- “The market is saturated; I didn't have a good visualization” (E8).

In the category “What are the main dynamics and specificities/particularities?” the focus was on investigating the dynamics of merchandising in Portugal, particularly regarding Coca Cola. Respondents' answers highlighted aspects such as bargaining power and the effectiveness of strategic solutions for consumers, whether at the point of sale or in digital contexts, as mentioned:

- “The consumer makes a very quick decision, merchandising is a good, strategic solution” (E2).
- “Focus on digital is increasing and, in the store, it is also very important, the players in the beverage sector, Lipton, in addition to our beverages is very strong” (E3).
- “I think there is a huge challenge for us” (E10).
- “In fact, there is a great opportunity, brands copy a lot, there is little innovation, the Merchandising implementation model is very similar” (E12).

In the category “Who are the main players and how do they stand out?” the aim was to identify the key players in the market and their prominence. The responses indicated that the participants believe the main players are:

- “Compal, above all, I think it manages to activate a little more suitable for the Portuguese markets” (E2).
- “The main players are Sumol, Pepsi and although they are not direct competitors, beers” (E11).

In the category “How is merchandising characterized at Coca Cola?” the objective was to ascertain respondents' perceptions regarding the nature of Coca Cola's merchandising. The responses highlighted the prominence of merchandising at points of sale, noting that, due to the brand's strong recognition, there is minimal innovation. However, it was also observed that the messaging conveyed to consumers has evolved compared to previous years, becoming more relevant and appropriate to contemporary standards, as noted:

- "Coca Cola ends up being another brand, at the points of sale, we don't know anything else as a differentiator, more of the same we don't do anything new" (E9).
- "It is a merchandise that always tries to create a relationship with the customer"; "An appropriate target and the time of year is important at the time of decision" (E11).
- "I think it plays a fundamental role, because we are a leading brand" (E7).
- "We are the best of the merchandising players; however the phase is challenging, the brand has been innovating, sustainability fund" (E12).

In the categories “What are the strategies and specifics? What are the goals?” and “What improvements could be made?”, the aim was to ascertain the company's strategies and objectives concerning merchandising, as well as potential future enhancements for success. The responses indicated that, despite competitive pressures, Coca Cola maintains a distinct position and approach that effectively addresses customer needs and preferences. This is achieved through impactful, direct, and prompt communication in the presentation of its products, as mentioned,

- "There is a lot of disputes, we end up being swallowed up by a lot of information, coca is different and those who want to consume Coca Cola do not need much promotion" (E9).
- "For the brand, it is part of having 360° tools, it is important to communicate be-online and together it is enough" (E5).
- "I think we work on a system of a brand that has its eyes set, but they may limit what we would like to do" (E7).
- "There is always room for improvement, Coca Cola is always improving, innovating, looking for new markets, and doing something different every time," (E12).

In the category “What is the importance of the (own) point of sale in Coca Cola's communication strategy?”, the objective was to evaluate the significance of the point of sale within Coca Cola's communication framework. The responses primarily highlighted the roles of emotional and informative communication in attracting consumers. It was noted that these elements have a more pronounced impact at points of sale compared to digital platforms, as noted,



- "We create emotion at the right times like Christmas, but the rest of the year, we are more informative without proximity, in relation to the competition" (E3).
- "Above all, thinking about the moment from the moment it enters the point of sale, it must be attracted, the point of attraction must be worked on" (E7).
- "It helps the consumer to buy our products" (E7).
- "The main key is cold cuts, a cold drink in the summer increases sales" (E8).

In the category "What is the role assigned to merchandising at the point of sale?", the aim was to assess the significance of merchandising in this context. Responses predominantly centered on the effectiveness of 360-degree campaigns, which are perceived as a more impactful method of engaging with consumers. As mentioned,

- "In the business relationship, the transactional past is from the perspective of investment, developing the business, this perspective made the pie grow and not increase my slices in that pie, characteristic of the market" (E1).
- "We have a thousand brands communicating at the point of sale and if you are not one of these brands with a strong presence, you will be forgotten" (E3).
- "Above all 360 campaigns, I think the consumer has to be impacted everywhere" (E7).
- "I think the point of sale is important, but the materials have an ungrateful position, purchases are made quickly by consumers, we often work to be visible in terms of space" (E9).

In the category "Do you use any communication of an emotional nature, or do you only use informative communication (e.g., technical information, product characteristics, etc.)?", the objective was to evaluate whether the company's communication approach leaned more towards emotional or informative content. Responses indicated that the communication strategy incorporates both elements: emotional communication is utilized in certain campaigns to resonate with consumer feelings, while informative communication is employed to provide essential details about products or brand initiatives, as referred:

- "We have communication for different consumption occasions, associated with food, it is one communication, drinks, another, type of consumer, moment, occasion" (E5).
- "It is transversal to all points, it is not specific to the store, Coca Cola is in all of them, but more informative and not very emotional" (E6).
- "Yes, above all, consumers are looking for a connection to brands that is emotional as well as informative, and that's why we have changed the way we communicate with them, emotionally and informatively" (E7).

- "Emotional is done at Christmas, in recent years it has changed to a more informative form, but we are losing this type of communication to the younger ones mainly" (E8).

In the category "What is the weight of exclusive store sales in the business?", the aim was to assess the significance and impact of store sales within the overall business strategy. Respondents primarily highlighted the importance of understanding customer needs, creating a more appealing business model, and fostering relationships with customers, as noted:

- "Occasions, first and foremost, the needs of the buyer and the business opportunities that are evident in the categories of innovation, trend through communication on social networks and in their followers who produce behaviors" (E1).
- "Activations have to be negotiated in a way that if they are already in-win and if they are not, they can wear out the relationship for both sides, it has to be balanced, between both, to show consumers our products" (E2).
- "All brands have a duty to draw attention at the point of sale, digital should be the most necessary and special bet, communicating on screens is a long-term saving" (E3).
- "There are a lot of people whose campaigns influence their decision to choose, they like to walk around the supermarket and see the news, and it can be in greater numbers" (E4).

In the category "What is the difference between stores in the North (Porto) and South (Lisbon) of the country?", the objective was to examine potential geographical variations in communication and merchandising practices within stores. Respondents indicated that while significant geographical differences were not evident, there were variations in terms of occasions and timing, as mentioned:

- "Geographically I don't see any differences, where we are is where the target of the campaign and strategy is, being active" (E2).
- "Communication is always the same, but it should be changed, although we think that the mainland and the islands are the same, a different strategy should be applied. It depends on the moments, at Christmas for example, it is more emotional connection with the brand, the brand was worked with the festive situation" (E3).
- "There is a peak in the summer, in Madeira at another time, we do not change the communication of different places, the form of communication is always the same, only some strategic in general" (E5).
- "There is a question of price, in the North they are more kesh, there are stores with pallets at the entrance of the store to sell because they know that customers take the largest number, as is the case with stores in the North. In the South it's better in summer" (E6).

In the category “How does the brand address consumer expectations, specifically regarding innovations incorporated in stores to encourage repeat visits?”, the aim was to understand how Coca Cola manages consumer expectations. Respondents indicated that merchandising efforts are focused on cultivating relationships with customers and consider both the sales locations and innovations in marketing campaigns, as referred:

- "The consumer who likes Coca Cola doesn't need great introductions, goes to the place and buys, 2024 we brought important innovations, with different rituals, thus pulling our younger customers to their consumption" (E9).
- "In the various points of sale in the secondary spaces, for the issue of product availability, there is rotation of the brand's product, there is availability of the product for consumers to take" (E10).
- "Always focusing on Target and adapting the ways of selling to it, taking into account the age and preferences of customers, which change over time, the brand can never stop in time if they are the same as 30 years ago it does not attract the customer that the company needs and is looking for" (E11).
- "First, because we are Hyper obsessed with shopper trends, one of the challenges is to turn those who do not consume our products into a Coca Cola consumer. We are projecting what is planned, and we always try to innovate in terms of sustainability" (E12).

## **4.2 Discussion of results**

The interviews highlight the nuances of Coca Cola's merchandising strategy in Portugal, revealing both strengths and challenges. The company's significant brand recognition and innovative marketing strategies enable it to maintain a prominent position in the market. However, the perception of a saturated market with limited differentiation indicates that the company must continue to evolve and diversify its merchandising techniques to sustain its leadership amid intensifying competition and shifting consumer preferences.

The soft drinks market in Portugal is characterized by its dynamic nature, with respondents highlighting frequent activations and innovations. Coca Cola stands out for its unique merchandising approach, distinguishing itself from competitors such as Pepsi and Sumol.

In this context, merchandising practices in Portugal, particularly for Coca Cola, emphasize point-of-sale strategies, digital engagement, and the establishment of emotional connections with consumers. There is a consensus among respondents that merchandising serves as a potent tool for influencing consumer decisions, especially within a highly competitive landscape.

Coca Cola is widely regarded as a leader in merchandising; however, the market is perceived as saturated, offering limited opportunities for innovation. Despite this, Coca Cola maintains its dominant position by leveraging its strong brand equity and robust presence in physical retail environments.

The company's merchandising strategy focuses on emotional communication during key occasions, such as Christmas, while employing informative communication throughout the rest of the year. This dual approach effectively caters to both regular and seasonal consumers, thereby reinforcing brand loyalty.

Although significant regional differences in merchandising strategies between Northern and Southern Portugal are not evident, some variations in seasonal behavior and consumer preferences do exist. Furthermore, Coca Cola is recognized for its continual adaptation of merchandising and communication strategies to align with evolving consumer expectations. This includes the introduction of new products and sustainability initiatives aimed at attracting younger consumers and sustaining brand relevance.

#### **4.2.1 Research contributions and its implications**

This research contributes to the understanding of Coca Cola's merchandising strategies within the dynamic Portuguese soft drinks market. By analyzing consumer perceptions and behaviors, the study highlights the effectiveness of point-of-sale tactics and emotional engagement in shaping purchasing decisions. The findings reveal that while Coca Cola maintains a leading position through brand equity and innovative marketing, the saturated nature of the market necessitates continuous adaptation and differentiation. The emphasis on seasonal communication and the integration of sustainability initiatives also reflects a growing consumer demand for responsible marketing practices, indicating a shift in preferences towards healthier and environmentally friendly options.

From a management and marketing perspective, the insights gained from this research suggest several actionable implications. Companies operating in the beverage sector must prioritize the development of flexible merchandising strategies that resonate with evolving consumer expectations. This involves not only enhancing the in-store experience through compelling displays and emotional

storytelling but also addressing the increasing consumer awareness of health-related issues. Furthermore, fostering partnerships with retailers to ensure effective product placement and promotional activities can enhance visibility and drive sales. Ultimately, the study underscores the importance of staying attuned to market dynamics and consumer preferences to maintain competitiveness in a rapidly changing landscape



## 5 PROPOSAL FOR A MERCHANDISING PLAN FOR THE COMPANY

Regarding the *timetable* for implementing the merchandising strategy, it's crucial to begin planning for the following year well in advance. The objectives for the upcoming year need to be clearly outlined *now* to ensure that all steps are aligned with the company goals. By starting early and focusing on long-term campaigns, the brand can optimize its *point-of-sale impact* and remain ahead of the competition.

- End-of-year preparations: The development of *materials* should take place toward the end of the current year. This preparation ensures that the materials will be ready to support *long-term campaigns* for the brand throughout the upcoming year.
- Long-term focus: The focus should be on creating sustainable and impactful *merchandising* solutions that can be used throughout key periods of the year, ensuring consistent brand visibility and consumer engagement over time.

Company Plan	
1	<p>The type of merchandising must be generic across the market:</p> <ul style="list-style-type: none"><li>• A successful retail business requires that a consistent image is created in the customer's mind that permeates all product and service offerings. Therefore, the company must carry out merchandising to help create that positive customer, which leads to successful sales. It not only communicates the store's image, but also reinforces and stores advertising efforts and encourages customer impulse purchasing;</li><li>• Visual merchandising is an important, often overlooked, factor in the success or failure of a retail store. Visual merchandising can be defined as everything a customer sees, both external and internal, that creates a positive image of a company and results in customer attention, interest, desire and action. A story can be told that communicates to the potential customer what the store is about. It includes the dramatic presentation of merchandise, as well as other important and subtle things that create the store's overall image and atmosphere.</li></ul>
2	<p>Strengthen the use of permanent tops at points of sale:</p> <p>Product display includes the ways in which products are presented, such as whether products are hung, placed in displays or otherwise made available for sale. Of course, withdrawal upon purchase is made based on the number of products offered. In a supermarket other characteristic of the product must be considered, such as weight, type,</p>

	<p>expiration date, some of the main types of merchandising application, several points must be considered, such as:</p> <ul style="list-style-type: none"> <li>• The goods on display must be presented in an easily understandable way. Products present in a logical sequence;</li> <li>• It should facilitate the purchasing decision based on the merchandise display. Products should not be organized by category, but should be presented that way, presenting additional items to buyers;</li> <li>• Products should be placed on shelves of appropriate height, where buyers can easily access the product, and not stacked too high or even too low.</li> </ul>
3	<p>Importance of presence in cold cuts:</p> <ul style="list-style-type: none"> <li>• There are many types of merchandising application, but we will try to name some of the types of merchandising that are more applicable to retail stores. One of the many types of application and presentation of the products is the external presentation - the sup-out presentation, is the way the products (usually in clothing) are hanging on the wall cupboards and shown one side from the shoulders to the bottom;</li> <li>• Another way of merchandising is to present or face presentation. This type of presentation is usually applied at the entrance and in the rows, where the buyer enters the storefront with the presentation of the product in front of the stack and the way it has the figurative meaning of a permanent four-winged worker allowing subordinate access to goods along the road around them. Therefore, it will ultimately be necessary to place more cold cuts in the market and implement a portfolio strategy that incorporates them.</li> </ul>
4	<p>Make specific materials only when they are important moments, campaigns that are effectively needed and highlighted:</p> <ul style="list-style-type: none"> <li>• The layout is another crucial aspect in window displays, it should be visually appealing and balanced, with a clear central point that catches the viewer's eye (Ye, 2016). There are different types of storefronts that vendors use and their effectiveness depends on the target audience and context, to use the proper layout;</li> <li>• This type of campaign should be implemented during significant brand launches, specific segments, or innovations. Focusing marketing efforts on key moments can generate excitement and attention from consumers, amplifying the impact of new products or brand initiatives. For example, during the Coke</li> </ul>



	Creations edition, it makes sense to introduce new materials due to the unique nature of the campaign.
5	<p>Less material and more product visibility:</p> <ul style="list-style-type: none"> <li>Information about the origin of products can improve customer perceptions of the product. In service settings, customers who obtain personal information about the person making the product may also indicate a greater willingness to make better evaluations.</li> </ul>
6	<p>More sustainable materials, the need to use different types of materials:</p> <ul style="list-style-type: none"> <li>The point of sale represents the focus of establishing the relationship with the customer, a positive merchandising has as its main practice effective communication to build a close and optimized relationship with the consumer. The point of sale is made up of three elements responsible for the sale of any product, the consumer, the product, and the money;</li> <li>Creating sustainable materials involves using recycled content and minimizing cardboard and non-reusable materials. This can be done by incorporating post-consumer recycled paper and streamlining packaging designs to reduce waste and transportation costs. Using biodegradable or compostable materials helps ensure that packaging breaks down naturally.</li> </ul>
7	<p>Importance of thinking of the shopper as the center of the equation:</p> <ul style="list-style-type: none"> <li>Evolving value drivers such as health and well-being, safety, social impact, experience and transparency have always been present in the minds of consumers in the food market, but historically they present themselves as consumers who make purchasing decisions on specialized products, and with an impact on their personal lives. The traditional value of motivation factors continues to be among the most important drivers of behavior.</li> </ul>

*Table 2 - Company Plan*

The company should implement a unified visual merchandising strategy across all stores by creating a detailed branding guide. This guide should standardize colors, fonts, and product displays to maintain a cohesive brand image. Train staff on these guidelines to ensure consistency, and set up visually appealing displays that tell a story and encourage impulse buys.

At sales points, arrange products in logical sequences that group complementary items together. Place products at customer-friendly heights—neither too high nor too low—to make them easily accessible and enhance convenience.

In the deli and cold cuts section, use front-facing displays to make products highly visible. Increase the variety of cold cuts, adding popular and premium options, and position them in high-traffic areas to draw in more customers.

For impactful promotional campaigns aligned with each brand's identity during strategic times of the year, we can create displays and special materials that capture the essence of each moment. At Christmas, Coca-Cola's strong association with the season makes it ideal to use illuminated displays with festive colors and themes. Highlighting limited edition bottles or holiday-themed packaging with exclusive signage adds to the seasonal appeal. For New Year's celebrations, Royal Bliss mixers and tonics fit perfectly, given the emphasis on cocktails and gatherings. Elegant displays with a party theme can position Royal Bliss as the ideal mixer, with signage that encourages customers to try it with popular spirits. At Easter, as families gather for meals, Coca-Cola can hold a central place on the table. Signage that emphasizes family togetherness can appeal to customers, reminding them that "with Coca-Cola at the table, every moment is more special."

For Carnival and Halloween, Fanta, with its playful image, resonates well with these fun and festive occasions. During Carnival, colorful, eye-catching displays can present Fanta as the ideal drink for the season, while at Halloween, themed packaging or decorations with playful monsters or ghosts can capture attention and add to the excitement. This approach strengthens each brand's presence by connecting with the spirit of each occasion, drawing in customers with creative and seasonally appropriate materials.

Prioritize product visibility by reducing excessive signage and focusing on the products themselves. Include information about product origin where relevant to enhance perceived value and customer trust.

Adopt sustainable practices in materials for displays and packaging. Opt for recycled or biodegradable materials and reduce the use of cardboard and plastic. Partner with suppliers who provide eco-friendly options and communicate these efforts to customers through signage.

Finally, design every aspect of the store around the customer. Tailor displays and layouts to highlight products that resonate with customer values, like health or sustainability. Establish feedback channels for direct customer input on the shopping experience, which will help in refining store layouts and offerings based on real needs and preferences.

The action plan delineates a framework for reallocating resources in alignment with the evolving objectives and priorities of the brand. However, establishing a definitive timeline for certain initiatives that will persist throughout the year presents challenges. These initiatives encompass critical considerations such as the adoption of more sustainable materials and the implementation of a "more for less" strategy, which aims to optimize resource utilization while enhancing visibility.

Moreover, the shopper must remain at the center of this strategic framework. Each decision, from material selection to visibility enhancements, must prioritize the shopper's experience. A comprehensive understanding of their needs, behaviors, and preferences is essential to ensure that all merchandising efforts not only align with the brand's sustainability objectives but also foster consumer engagement and improve conversion rates.

In developing new campaigns, it is crucial to incorporate these considerations to ensure that the brand remains relevant, environmentally conscious, shopper-centric, and efficient. This approach allows the brand to maintain flexibility, responding to market demands while upholding core principles such as sustainability and maximizing impact with limited resources.

Also, this plan, comprising multiple initiatives, is designed to enhance sales while effectively promoting the Coca Cola brand at the point of sale. The primary target audience will continue to be the brand's established customers; however, market differentiation will not be the exclusive strategy for attracting new consumers.

Initially, the marketing team will develop and refine these initiatives before transferring responsibility to the sales team, which will implement the strategy at the point of sale. In the preliminary phase, the team will engage a substantial and flexible customer base for testing purposes, similar to the approach taken by Sonae. The selected retail locations will be situated between large supermarkets and select hypermarkets, as their size facilitates the management of specialized materials. This comprehensive plan aims to drive sales growth while reinforcing the Coca Cola brand's presence in the retail environment.

## **5.1 Budget**

To estimate the budget required for implementing merchandising strategies for a non-alcoholic beverage brand, various factors must be considered, including the scale of operations, the number of retail locations, the complexity of installations, material and labor costs, as well as partnerships with suppliers. The following provides an approximate budget breakdown in euros for each component.

For consistent visual merchandising, an estimated budget of €20,000 to €50,000 is necessary, which encompasses materials such as displays and lighting, design manuals, and execution across diverse store formats. Enhancing the use of permanent displays at points of sale may incur costs ranging from €15,000 to €30,000, including expenses for permanent fixtures and staff training. Ensuring accessible and organized product displays may require an investment of €10,000 to €25,000, covering costs associated with shelving redesign and product arrangement. The establishment of displays in cold and perishable areas could range from €5,000 to €15,000, necessitating custom refrigerated displays and ongoing maintenance. For targeted campaigns and promotions, the budget may range from €10,000 to €20,000 per campaign, encompassing design, production, and installation of promotional materials. Lastly, the implementation of strategic layouts and window displays could require an investment between €8,000 and €25,000, including expenditures for creative window displays, lighting, and potentially digital equipment.

The overall estimated budget for this merchandising implementation is projected to be between €68,000 and €165,000, with variations dependent on the number of stores, the degree of customization, and the intensity of promotional activities. Larger retail locations with higher customer traffic may result in increased costs, while the frequency of campaigns could further elevate the annual budget. Additional considerations include scalability, ongoing maintenance, and the anticipated return on investment (ROI) through heightened impulse sales and improved brand visibility.

## **5.2 Connection to Merchandising**

This merchandising plan is intricately linked to the overarching merchandising system through the utilization of advanced tools and processes that facilitate streamlined operations across various retail locations. By automating and centralizing essential merchandising tasks, the system enables the consistent application of strategies across all stores. This uniformity ensures that in-store merchandising activities, including product displays, point-of-sale materials, and promotional initiatives, adhere to a standardized framework, irrespective of store size or geographic location.

A critical aspect of this integration is the establishment of a central communication hub, which connects the merchandising, marketing, and operations teams, along with external partners such as suppliers. This centralization not only improves coordination but also minimizes the risk of discrepancies in merchandising execution across different sites. For instance, when launching a new campaign or product, the system guarantees that all stores receive uniform instructions, materials, and timelines, thereby preserving brand consistency.

Furthermore, this system facilitates real-time monitoring of merchandising implementation. Tools designed to track the performance of in-store displays and product placements offer insights into effective strategies and areas requiring adjustment. This data-driven methodology empowers the merchandising team to swiftly respond to shifts in consumer behavior, optimize product placements, and enhance the visual appeal of displays. By integrating feedback mechanisms, the plan ensures that merchandising strategies remain dynamic and responsive.

In practical terms, the system also supports logistical functions, coordinating the delivery and setup of displays and promotional materials to ensure that all components are in place prior to a campaign's launch. This seamless coordination enhances operational efficiency and minimizes disruptions at the store level, allowing staff to concentrate on sales and customer service.

Ultimately, this integration significantly enhances product visibility at the point of sale, cultivating a more impactful customer experience that encourages impulse purchases and boosts overall sales. By leveraging this interconnected system, the merchandising plan ensures that strategic objectives are achieved with precision while maintaining the flexibility to adapt to diverse retail environments.

[illegible]

Figure 13 - Timetable Part 1 with weeks focused on objectives

Source: Author, (2024).

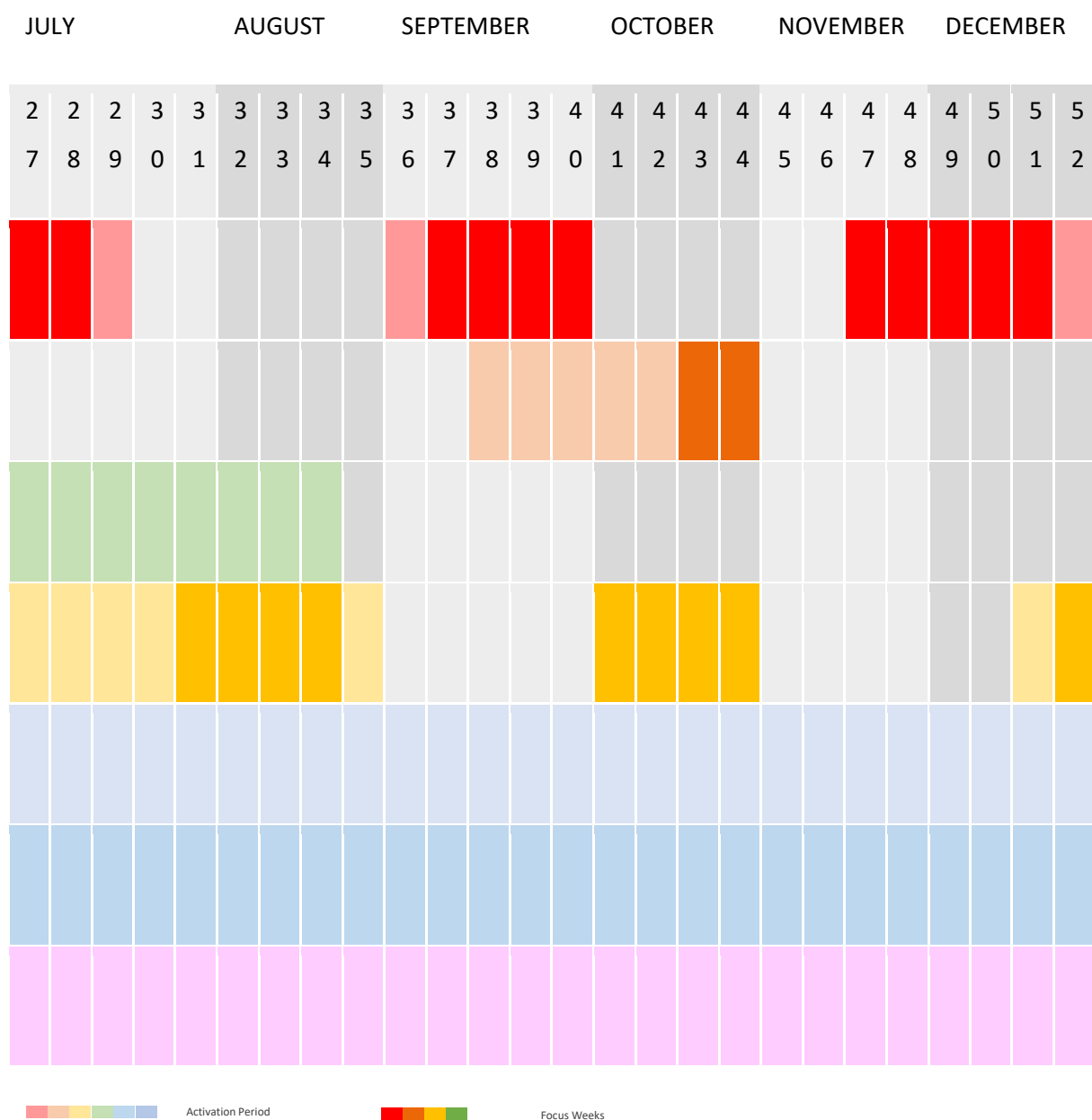


Figure 14 - Timetable Part 2 with weeks focused on objectives

Source: Author, (2024).





## 6 CONCLUSIONS

The primary objective of this project was to examine how Marketing Communication, Merchandising, and Sales Promotion tools within the soft drinks market can positively influence sales, with Coca Cola serving as the case study. Point-of-sale merchandising emerges as a critical strategy that encompasses the art and science of product presentation, aimed at maximizing store traffic and sales.

The findings from the field study indicate that the Portuguese soft drinks market is dynamic, characterized by frequent consumer engagement and brand activations, which enhances its competitive landscape. It was noted that effective merchandising strategies include optimizing store layouts, managing product categories, and utilizing persuasive communication techniques to stimulate consumer purchasing decisions. Coca Cola's ability to prompt quick purchase decisions illustrates the importance of impactful merchandising that not only highlights brand attributes but also reinforces customer recognition of its offerings.

Furthermore, the research underscores the significance of communication in merchandising, which plays a vital role in attracting and retaining customers. Respondents emphasized that a customer-centric approach, which prioritizes personalized connections and continuous engagement, is essential for building brand loyalty. By leveraging data and insights into consumer behavior, Coca Cola can tailor its merchandising strategies to meet the specific needs of different market segments, thereby enhancing customer satisfaction.

The study also revealed that analyzing the coexistence of various product categories can facilitate effective trade marketing strategies and optimize sales through strategic product placement. In conclusion, as competition intensifies and consumer preferences evolve, businesses must adopt innovative approaches to merchandising that not only meet immediate sales objectives but also foster long-term customer relationships, ensuring sustained growth and relevance in the marketplace in an increasingly complex scenario, with greater competition and the decision in the hands of the Shopper, there is no other way but to understand new behaviors, seek to delve into new analyses and business opportunities that generate more value and delight the customer.

### 6.1 Limitations of the study

This study presents several limitations that warrant consideration. First, the sample size and diversity may restrict the comprehensiveness of the findings. While the interviews provided valuable insights, a limited number of respondents may not adequately capture the full spectrum of perspectives within the soft drinks market. Consequently, this could skew the results and reduce the generalizability of the conclusions drawn. Furthermore, the research primarily focused on Coca Cola's operations within Portugal, which may limit its applicability to other regions or markets. Differences in consumer behavior, market dynamics, and cultural contexts across various countries could yield significantly different outcomes.

Another notable limitation is the subjectivity inherent in qualitative research. The responses gathered during interviews reflect the personal experiences and perceptions of the participants, which may introduce bias into the findings. This subjectivity raises questions regarding the reliability of the data collected. Additionally, the study is contextualized within a specific timeframe, which may not account for future changes in market conditions, consumer preferences, or regulatory frameworks that could impact the beverage industry. Lastly, while the research examined various merchandising strategies, it may not encompass all potential tools and techniques utilized in the soft drinks market, thereby leaving gaps in understanding the broader landscape of merchandising practices.

## **6.2 Proposals for future research**

The limitations identified in this study present avenues for future research on this topic, particularly by exploring additional sectors of the market and different brands. Engaging with executives from other companies could yield valuable insights into their perspectives as competitors.

Furthermore, it is essential to ensure that the first two points are addressed by both management and customers. The findings of this research may be beneficial not only for Coca Cola Europacific Partners but also for other organizations operating within this market.

By addressing these limitations and pursuing the proposed avenues for future research, scholars can contribute to a more nuanced understanding of marketing communication and merchandising strategies within the soft drinks market, ultimately enhancing the knowledge base in this field.

## REFERENCES

- Ali Soomro, Dr. Y., Abbas Kaimkhani, S., & Iqbal, J. (2017). Effect of Visual Merchandising Elements of Retail Store on Consumer Attention. *Journal of Business Strategies*, 11(1).  
[https://doi.org/10.29270/jbs.11.1\(17\).002](https://doi.org/10.29270/jbs.11.1(17).002)
- American Marketing Association (AMA) (2013) Definition of Marketing.  
<https://www.ama.org/AboutAMA/Pages/Definition-of-Marketing.aspx>
- Behera, M.P., Mishra, V. (2017), Impact of store location and layout on consumer purchase behavior in organized retail. *Anvesha*, 10(1), 10-21.
- Bolton, R.N. (1989) "The Relationship Between Market Characteristics and Promotional Price Elasticities," *Marketing Science*, 8 (Spring), 153-169.
- Bailey, S., & Baker, J. (2016). Fashion and visual merchandising. Retrieved from  
<https://elibro.net/es/lc/epoch/titulos/45597>
- Bradlow, E.T., Gangwar, M., Kopalle, P. and Voleti, S. (2017), "The role of big data and predictive analytics in retailing", *Journal of Retailing*, Vol. 93 No. 1, pp. 79-95.
- Business Times. (n.d.). *Coca Cola Real Magic (figure 6)*. Business Times.  
<https://www.besinesstimesng.com/tag/coca-cola/>
- Cameron AJ, Charlton E, Ngan W, Sacks G. A systematic review of the effectiveness of supermarket-based interventions involving product, promotion, or place on the healthiness of consumer purchases. *Curr Nutr Rep* 2016; 5: 129–38.
- Castro IA, Majmundar A, Williams CB, Baquero B. Customer purchase intentions and choice in food retail environments: a scoping review. *Int J Environ Res Public Health* 2018; 15: e2493
- Castro, R. (2018). Visual and seductive merchandising for the company "Dicosavi" in the city of Riobamba. (Thesis, Polytechnic School of Chimborazo), Riobamba. Retrieved from  
<http://dspace.esPOCH.edu.ec/bitstream/123456789/9176/1/88T00264.pdf>
- Fast Facts: Sugar-Sweetened Beverage Consumption. CDC Nutrition. Retrieved October 9, 2024  
<https://www.cdc.gov/nutrition/data-statistics/sugar-sweetened-beverages-intake.html>.
- Ferreira, A., Dias, C., & Fonseca, A. M. (2015). Adaptation to the Portuguese population of instruments for assessing the quality, satisfaction and loyalty of customers in fitness centres. *Portuguese Journal of Sports Sciences*, 15(1), 41-150. <https://doi.org/10.5628/rpcd.15.01.4>
- Fuchs, Christoph, Martin Schreier, Stijn M. J. van Osselaer and Ulrike Kaiser (2019), *Making Producers Personal: How Breaking Down the Wall between Producers and Consumers Creates Value*, Working Paper, TU Munich.
- Gävert, Emma (2020), Personal Interview with Head of Visual Merchandising @ H&M Online,.
- Gemzell, Maria (2020), Personal Interview with Head of Fashion division @ Åhléns,
- Gerhant A, Olajossy M. Personality traits in alcohol-dependent individuals in the context of childhood abuse. *Psychiatr Pol*. 2016 Oct 31;50(5):973-987. English, Polish. doi: 10.12740/PP/60346. PMID: 27992890.
- Global Supermarket News. (2023). *Breaking down the FMCG industry: Trends, challenges, and opportunities 2024*. Global Supermarket News. <https://globalsupermarketnews.com/breaking-down-the-fmcg-industry-trends/>
- GoodsChecker. (2023). *5 trends shaping FMCG industry in 2023*. GoodsChecker.  
<https://goodschecker.com/blog/5-trends-shaping-fmcg-industry-in-2023/>
- Grewal, Dhruv & Roggeveen, Anne L., (2018). "Understanding Retail Experiences and Customer Journey Management," *Journal of Retailing*, Elsevier, vol. 96(1), pages 3-8.
- Guastaferro K, Collins LM. 2019. Achieving the goals of translational science in public health intervention research: the Multiphase Optimization Strategy (MOST). *Am. Public Health Assoc*. 109:S25128–29
- Gupta, S. (1988), "Impact of Sales Promotions on When, What, and How Much to Buy," *Journal of Marketing Research*, 25(November), 342-55

- Giampaoli, D., Ciambotti, M. and Bontis, N. (2017), "Knowledge management, problem solving and performance in top Italian firms", *Journal of Knowledge Management*, Vol. 21 No. 2, pp. 355-375.
- Gaviria-Marin, M., Merigo, J.M. and Popa, S. (2018), "Twenty years of the journal of knowledge management: a bibliometric analysis", *Journal of Knowledge Management*, Vol. 22 No. 8, pp. 1655-1687.
- Gusó, A. (2016). *Visual Merchandising and Technology: seducing the shopper at the point of sale*. Retrieved from [https://books.google.com.ec/books/about/Visual\\_Merchandising\\_y\\_Tecnolog%C3%ADa\\_Seduc.html?id=3JkkDwAAQBAJ&printsec=frontcover&source=kp\\_read\\_button&redir\\_esc=y#v=onepage&q&f=false](https://books.google.com.ec/books/about/Visual_Merchandising_y_Tecnolog%C3%ADa_Seduc.html?id=3JkkDwAAQBAJ&printsec=frontcover&source=kp_read_button&redir_esc=y#v=onepage&q&f=false)
- Helfer, J. P., & Orsoni, J. (1996). *Marketing*, Lisbon. Syllabus Editions
- Hervas, A. (2013). *Point of Sale Animation: Medium Grade*. Retrieved from <https://elibro.net/es/lc/epoch/titulos/50230>
- Hollands GJ, Shemilt I, Marteau TM, et al. Altering microenvironments to change population health behaviour: towards an evidence base for choice architecture interventions. *BMC Public Health* 2013; 13: 1218.
- Hartmann-Boyce J, Bianchi F, Piernas C, et al. Grocery store interventions to change food purchasing behaviors: a systematic review of randomized controlled trials. *Am J Clin Nutr* 2018; 107: 1004–16.
- Hagtvedt, Henrik and Vanessa M. Patrick (2016), "Art Infusion: The Influence of Visual Art on the Perception and Evaluation of Consumer Products," *Journal of Marketing Research*, 45 (3), 379–8
- Halpern-Felsher B. Point-of-sale marketing of heated tobacco products in Israel: cause for concern. *Isr J Health Policy Res*. 2019 May 27;8(1):47. doi: 10.1186/s13584-019-0316-6. PMID: 31133053; PMCID: PMC6535843.
- Houghtaling B, Serrano EL, Kraak VI, Harden SM, Davis GC, Misyak SA. A systematic review of factors that influence food store owner and manager decision making and ability or willingness to use choice architecture and marketing mix strategies to encourage healthy consumer purchases in the United States, 2005-2017. *Int J Behav Nutr Phys Act*. 2019 Jan 14;16(1):5. doi: 10.1186/s12966-019-0767-8. PMID: 30642352; PMCID: PMC6332888.
- Inman, J. and Nikolova, H. (2017), "Shopper-facing retail technology: a retailer adoption decision framework incorporating shopper attitudes and privacy concerns", *Journal of Retailing*, Vol. 93 No. 1, pp. 7-28.
- Jallais J., Orsoni J. & Fady A. (1987). *Distribution marketing*. Lisbon: Zenith.
- Khaled, A.S., Ahmed, S., Tabash, M.I., Al-Homaidi, E.A. and Hossain, M.I. 2019. The Impact of Technological and Marketing Innovations on Retailing Industry: Evidence of India. *Journal of Reviews on Global Economics*. 8, (Dec. 2019), 948–957.
- Kpossa, M. and Lick, D. (2020). Visual merchandising of pastries in foodscapes: The influence of plate colours on consumers' flavour expectations and perceptions. *Journal of Retailing and Consumer Services*, 2020, vol. 52, issue C
- Krasonikolakis, Ioannis, Vrechopoulos, Adam, Pouloudi, Athanasia, Dimitriadis, Sergios (2018) Store layout effects on consumer behavior in 3D online stores. *European Journal of Marketing*, 52 (5-6). pp. 1223-1256. ISSN 0309-0566. (doi:10.1108/EJM-03-2015-0183) (KAR id:68785)
- Lendrevie, J. L. (2015). *Mercator of the Portuguese Language – Theory and Practice of Marketing*. Lisbon: Don Quixote.
- Leão, I. V. (2000). *Dictionary of Communication Sciences*. Porto: Porto Editora.
- LibreTexts. (2024). *The consumer purchasing decision process*. Concordia University Chicago. Retrieved October 16, 2024, from [https://biz.libretexts.org/Courses/Concordia\\_University\\_Chicago/Principles\\_of\\_Marketing\\_for\\_Transformation/03%3A\\_Consumer\\_Markets\\_and\\_Purchasing\\_Behavior/3.04%3A\\_The\\_Consumer\\_Purchasing\\_Decision\\_Process](https://biz.libretexts.org/Courses/Concordia_University_Chicago/Principles_of_Marketing_for_Transformation/03%3A_Consumer_Markets_and_Purchasing_Behavior/3.04%3A_The_Consumer_Purchasing_Decision_Process)

- Mondol, E. P., Salman, N. A., Rahid, A. O., & Karim, A. M. (2021). The Effects of Visual Merchandising on Consumer's Willingness to Purchase in the Fashion Retail Stores. *International Journal of Academic Research in Business and Social Sciences*, 11(7), 386–401
- Narasimhan, C., Scott, A. Neslin, and Subrata K. Sen (1996), "Promotional Elasticities and Category Characteristics," *Journal of Marketing*, 60(April), 17-30
- Nobbs, C. et al. (2015). An exploration of fashion visual merchandising and its role as a brand positioning device, *Journal of Global Fashion Marketing* 6(1):4-19
- Palomares, R. (2011). *Merchandising teoría práctica y estrategia* (2a. ed.). Obtenido de <https://books.google.com.ec/books?id=ZeDHBAAAQBAJ&printsec=frontcover&dq=Merchandising+teor%C3%ADa+pr%C3%A1ctica+y+estrategia&hl=es&sa=X&ved=2ahUKEwjhupqEsqPtAhXETDABHaWFAa0QuwUwAHoECAQQBw#v=onepage&q&f=false>
- Papa, A., Dezi, L., Gregori, G.L., Mueller, J. and Miglietta, N. (2018), "Improving innovation performance through knowledge acquisition: the moderating role of employee retention and human resource management practices", *Journal of Knowledge Management*, Vol. 24 No. 3, pp. 589-605.
- Paton, Elizabeth (2020), *Shopping for Fashion, Six Months On*, New York Times, September 18, (accessed September 24, 2020), [available at <https://www.nytimes.com/2020/09/18/fashion/shopping-retailcoronavirus.html>]
- Parr, J., & Bruin, M. (2021). A Qualitative Study: Small Business Merchandising Strategies in Rural Minnesota. *Journal of Human Sciences and Extension*, 9(2), 4. <https://doi.org/10.54718/XDCI7523>
- QodeNext. (2023). *6 Latest trends in FMCG industry to watch out for in 2024*. QodeNext. <https://qodenext.com/blog/latest-trends-in-fmcg-industry/>
- Raghoebar S, van Kleef E, de Vet E. How the Physical Signs Surrounding Food Influence Snack Consumption: The Case for Covering Food. *Food quality prefers*. 2021; 93:104260
- Rojas, E. (2017). *Merchandising*. Bogotá: Fundación Universitaria del Área Andina.
- Santoro, G., Bresciani, S. and Papa, A. (2020), "Collaborative modes with cultural and creative industries and innovation performance: the moderating role of heterogeneous sources of knowledge and absorptive capacity", *Technovation*, Vols 92-93, 102040.
- Sanchez-Flack J, Baquero B, Lin S-F, et al. Evaluation of store environment changes of an in-store intervention to promote fruits and vegetables in Latino/Hispanic-focused food stores. *Int J Environ Res Public Health*. 2019; 17(1):65.
- Scussel F. et al., (2020). Transformational escapes: Accessing consumer transformation through extraordinary experiences. Volume 22, Issue 5, Pages 1199-1210
- Statista. (2024). *Beverage market in Portugal*. Retrieved from <https://www.statista.com/outlook/io/manufacturing/consumer-goods/beverages/portugal>
- Sumol+Compal. (2023). *Compal: Second most chosen brand in Portugal 2023*. Sumol+Compal. <https://sumolcompal.pt/en/noticia/compal-second-most-chosen-brand-2023>
- Surjit, S. (2021). Social Media's Influence on Consumer Decision-Making: A Roadmap for Success, DOI:10.4018/979-8-3693-3811-7.ch004, In book: *Globalized Consumer Insights in the Digital Era* (pp.85-109)
- Wallace, Tracey (2020), *How 12 Wildly Successful Online Stores Use Visual Merchandising to Drive Sales (and How You Can, Too)*, (accessed September 24, 2020), [available at, <https://www.bigcommerce.com/blog/visualmerchandising/#misconceptions-about-visual-merchandising-online>]
- van der Molen AEH, Hoenink JC, Mackenbach JD, Waterlander W, Lakerveld J, Beulens JWJ. Are incentive and pricing strategies on food buying behaviors equally effective for everyone? Secondary analysis of the Supreme Nudge virtual supermarket study. *Appetite*. 2021; 167: 105655.
- Weber, F., Schutte, R. (2019). State-of-the-art and adoption of artificial intelligence in retailing. *Digital Policy, Regulation and Governance*.



## Annex A - Interview guide

Date: \_\_\_\_\_

Location: \_\_\_\_\_

Start time: \_\_ : \_\_ End time: \_\_ : \_\_

Block 1. Identification/characterization of the interviewee and the company

1. What is your role in the company? \_\_\_\_\_ Trade marketing \_\_\_\_\_

Age: \_\_\_\_\_

Gender: \_\_\_\_\_

Objectives of what I want to know: importance of merchandising in general, merchandising at Coca Cola, today what they do well and what impact it has.

1. How would you characterize the soft drinks market in Portugal in terms of merchandising?
2. What are the main dynamics? And specificities/particularities?
3. Who are the main players? How do they stand out?
4. At Coca Cola, how do you characterize merchandising?
5. What is the strategy and specifics? What objectives?
6. What could be better?
7. How important is the (own) point of sale in the Coca Cola brand's communication strategy?
8. What are your goals for the next year/cycle?
9. How can you influence the relationship with distributors?
10. What role is assigned to merchandising at the point of sale?
11. Do you use any communication of an emotional nature, or do you only use informative communication (for example, technical information, product characteristics, ...)?
12. Do you use any of your own communication considering segments and store formats?
13. How important are sales from exclusive stores in the business?

14. What is the difference between the stores in the North (Porto) and South (Lisbon) of the country?
15. How do you seek to reflect Coca Cola's image in the various points of sale?
16. How does the brand meet consumer expectations, that is, what innovations do they incorporate in stores to motivate a next visit?



## Annex B - Interviews

Categories / questions	E1	E2	E3	E4
How do you characterize the soft drink market in Portugal in terms of merchandising	Merchandising is Power because only Coca Cola has a different vision, we don't see others activating merchandising in terms of advertising,	It is Super dynamic and unlike other categories, they are a very frequent consumption category and there are many dynamics and activations of the various brands.	A more active and dynamic market, more and more brands are betting on Merchandising has a huge growth.	For us it is complicated to relate sales to materials we can only understand better when there are campaigns, and at Christmas and Carnival it is the activations in the campaigns that we can see the difference between Coca Cola and other brands
What are the main dynamics? And specificities/particularities?	Investment is being analysed for prices, considering the operators and the market in Portugal is very concentrated, the negotiating power is on the side of the dynamics and schedules of customers	The consumer makes a very quick decision, merchandising is a good, strategic solution, because the shopper must put the Coca Cola before the end of the purchases and merchandising acts in this aspect, it has been there, from an insider perspective, there is a permanent activation policy.	Bet on digital is increasing and in the store it is also very important, the players in the beverage sector, Lipton, in addition to our beverages is very strong, and Compal	There can be activation because it is very important, not only for the goals. Activation is very important for sales
Who are the main players? How do they stand out?	Water is a third of the category, there is no communication	Compal above all, I think it can get activations a	Do you see these brands in stores with a better appeal?	The competition is also activating very well, good

	of water, deposit system and in some supermarkets, you see purified water	little more suitable for the Portuguese markets,	Yes of course, having the brand available on the shelf is not enough	communication is essential to achieve the goals, I can understand the right places with the right activations, right price, because it doesn't have the same impact everywhere.
--	---	--	--	---

Categories / questions	E5	E6	E7	E8	E9
How do you characterize the soft drink market in Portugal in terms of merchandising	Not very innovative market,	In terms of merchandising, it is carried out at the point of sale, observe the competition.	I think that in terms of merchandising it is very rich, and it can be differentiating and a lot of margins for you to get away from something, some brands can work very well in terms of soft drink	The market is saturated, it didn't have a good visualization,	From the point of sale it is very dynamic, communication is always a battle, we all want to be the best and most seen
What are the main dynamics? And specificities/particularities?	Soft drinks there are more and more players in the market, with little sense in some products, it is increasingly difficult to implement spaces such as Mercadon a where everything is tidy	We work we create 100% of the brands, Fanta in the company's strategic Halloween we can be more limited to the brand.	There is, however, a trend where brands try to attract customers to impulse purchases at the checkout	Soft drinks are at the end of the store and most consumers do not reach the end of the store. The attention of these should be called	For example, I believe that there are not many experiences in this case yet, but the relationship with the final consumer does not occur in this type of pastimes, I end up feeling that there are not many occurrences in this case
Who are the main players? How do they stand out?	We don't have many players, we all do a bit the same, Red bull must	Pepsi and Compal, with greater autonomy have a greater impact on the	Pepsi, yes, Sumol, in the case of Compal, but it's not direct, it works in a way that we	Compal and Pepsi, own brands.	Sumol, Compal. They have all just worked in the same way, we have some points of contact, but it

	be in larger spaces, and close to schools, there is a more seasonal segment.	Merchandising market, greater coverage of 360 with greater presence on TV at festivals	don't work with, it's very regional,		is Pepsi that is present in this aspect, especially at summer festivals
--	--	--	--------------------------------------	--	---

Categories / questions	E10	E11	E12	E13	E14
How do you characterize the soft drink market in Portugal in terms of merchandising	The soft drink market lives a lot through Merchandising, it's the way the market has to make brands be able to position themselves in suitable and more visible places	I think that the soft drink market invests a lot in merchandising through the activation of different materials that cause visual impact	A dynamic market, a characteristic of Iberia and if we understand merchandising as a sales communication tool, the soft drinks category is quite lively	The soft drink market lives a lot from merchandising, from exhibitors, the way the market is the theme to get out of the shelf and make brands position themselves throughout the store. Currently there is a lot of competition, coca cola has a great linear location it should be an impulse buy. Affinity zones become more relevant	Coca Cola represents merchandising in Portugal, we have an obligation to play a fundamental role in stores, we are the leaders,
What are the main dynamics? And specificities / particularities ?	I think there is a huge challenge for us, to make the materials do their purpose, in the case of Coca Cola Zero, the campaign must be made short, and fast, otherwise the consumer will not care.	It is a brand that is known by consumers in itself, but it is a brand that has at certain times of the year are stronger, the impact of the materials is different in summer or winter,	In fact, there is a great opportunity, brands copy a lot, there is little innovation, the Merchandising implementation model is very similar	And communication because for me it is also important. With great texts it doesn't matter the customer won't care	We are in the highly proportional market, we as market leaders always have the role that is via merchandising that our dynamics do so in the promotion of products, as the main brand of soft drinks with the minimum price change

Who are the main players? How do they stand out?	<p>Sonae is a huge client as a very evolved way of acting, it has many spaces in the store, it explores communication in various store spaces more and more</p> <p>Auchan not so much, but they are already starting little by little to experiment with consumers</p>	The main players are Sumol, Pepsi and although they are not direct competitors to beers,	Highlighting means living off the shelf, the vast majority of purchases are made in an unplanned way, you can't expect the customer to come to the store but we have to go after them, we lead in terms of players, communication with the customer always. By store type	Sonae, a huge customer, evolved than the other markets, has much more space in the store, increasingly explores communication throughout the store, in the cold cuts, through television next to the products	Competition is dynamic, they are aggressive in prices, at the point of sale and retail, we are more proactive, but the competition has greater communication at the most impactful point of sale, they have a more facilitating role, such as Pepsi, Sumol,
---	--	--	---	---	---

Categories / questions	E1	E2	E3	E4
At Coca Cola, how do you characterize merchandising?	It is a successful photo strategy with several + critical points, consumer attraction, we try to influence customer choices and a set of tools in addition to Merchandising, experiential experiences and we will continue to design the brand photo.	Sometimes we have little response in time and at the local level, but more in the campaigns we end up having more international things, one thing we have been improving is to put the chips in the right places, in the right stores	To be close to the consumer, to the younger ones through their tastes, music,	In terms of quality, I haven't seen anything that offers that caught my attention, like the stickers that disappeared, I think it's not attractive as a consumer.
What role is assigned to merchandising at the point of sale?	In the business relationship, the transactional past passes from the perspective of investment, developing the business, this perspective made the pie grow and not increase my slices in that pie, characteristic of the market,	As I work in the area I am not the best person, but only if it is a impulse product, but I mainly look at the prices. As a consumer, price is the most decisive factor in the purchase, when it is new to look at the benefits, whether in nutritional terms of sugar	We have a thousand brands communicating at the point of sale and if you are not one of these brands with a strong presence you are forgotten	I think Coca Cola is one of the main brands, but it is rare to change Coca Cola for Pepsi, and in the younger generations it is different, they are not so loyal to the brand, the new consumers are aging and we have to create other innovations otherwise it falls.
What is the strategy and specifics? What objectives? What could be better?	That the business relationship would be less transactional and more partnership that would lead to enhancing the communication strategy in a more impactful and massive way	The consumer makes a very quick decision, merchandising is a good, strategic solution, because the shopper must put the Coca Cola before the end of the purchases and merchandising	We are increasingly in materials that are resistant, that last longer	Activation, despite not having much experience, communication is different from store to store, I think that communication should be aligned with all points of sale, but

	we want to maintain this DNA of the communication of our campaigns	acts in this aspect, it has been there, from an insider perspective, there is a permanent activation policy.		appropriate for each target.
What is the weight of sales from exclusive stores in the business?	Occasions, first of all, the needs of the buyer and the business opportunities that are evident in the categories of innovation, trend through communication on social networks and in their followers that produce behaviors	Activations have to be negotiated in a way that if they are already in-win and if they are not they can wear out the relationship for both sides, it has to be balanced, between both, a part of showing us our products to consumers	All brands have a duty to draw attention at the point of sale, digital should be the most necessary and special bet, communicating on screens is a long-term saving	There are many people whose campaigns influence their decision to choose, they like to walk around the supermarket and see the news, and it can be in greater numbers.
What is the difference between the stores in the North (Porto) and South (Lisbon) of the country?	There are countries and geographies that are different, see Spain and Portugal are significantly different, mainland Portugal is not, the islands have some difference in behavior, tropicality of sabo5res, slightly distinct by climate, culture, they are insular behaviors.	Geographically I don't see any differences, where we are is where the target of the campaign and strategy is, to be active.	Communication is always the same, but it should be changed, although we think that the mainland and the islands are the same, a different strategy should be applied. It depends on the moments, at Christmas for example, it is more emotional connection with the brand, the brand was worked with the festive situation	
What is the importance of the (own) point of sale in the communication strategy of the	Technology has taken over Christmas, "do it differently, call those you haven't spoken to in a long time", companies have gone crazy	The Coca Cola probably the issue is hobbies, where the consumer can gain some benefit, euro 2024 stickers,	The more personality the better, when we know that we are going to be in a certain place, we must be specific to that same place,	I'm the opposite of my mother I created a block, any advertising I don't care about or impact me. It doesn't have a big impact for



Coca Cola brand?	for this emotional, not that this is the only way, but nowadays, the speed of information is very fast, and sharing is fast	turns out to be one to attract the consumer	when doing the same type of campaign does not attract consumers so much,	me, but there are people who give a lot of importance, so it can help the company for a type of people,
What goals for the next year/cycle?	Digital investment is becoming more and more important, consumers already exceed 70% of what is budget for investments	Activations have to be negotiated in a way that if they are already in-win and if they are not they can wear out the relationship for both sides, it has to be balanced, between both, a part of showing us our products to consumers	All brands have a duty to draw attention at the point of sale, digital should be the most necessary and special bet, communicating on screens is a long-term saving	Healthy health issues, I think that in terms of marketing campaigns are no longer aggressive and with less quality I think
They use some communication of an emotional nature, or they only use c  Information communication (e.g. technical information, product features, ...)?	It is a very functional communication according to the occasion, we can go back to this previous dynamic, and emotional within the communication less spontaneous functional character, a correct communication for the moment what exists today.	Emotional or informative – with the rebranding that is coming it is much more informative, Coca Cola has no sugar, reinforce the message and then there are also campaigns that take it to the emotional such as meals with the family.	Communication is always the same, but it should be changed, although we think that the mainland and the islands are the same, a different strategy should be applied. It depends on the moments, at Christmas for example, it is more emotional connection with the brand, the brand was worked with the festive situation	Activation, despite not having much experience, communication is different from store to store, I think that communication should be aligned with all points of sale, but appropriate for each target.
"How does the brand work on consumer expectations, that is, what innovations do they incorporate in stores in order	The terms of the material can make a difference, coherent execution makes a difference and this is what gives a character of	What is most important for the brand is one of the best known, here it is important to continue to ensure the	The more personality the better, when we know that we are going to be in a certain place, we must be specific to that same place,	I think Coca Cola is one of the main brands, but it is rare to change Coca Cola for Pepsi, and in the younger generations it is

to motivate a next visit?"	correspondence that we want, this is the way. The consistency and coherence that we make in all points of sale will mark the brand's trend with consumers. From biscuits to milk or groceries, the main thing is Coca Cola.	loyalty of the older audience that has been consuming Coca Cola for many years, and continue to recruit the youngest, generation Z and others may not be fans of these drinks, such as energy drinks,	when doing the same type of campaign does not attract consumers so much,	different, they are not so loyal to the brand, the new consumers are aging and we have to create other innovations otherwise it falls.
----------------------------	---	---	--	--

Categories / questions	E5	E6	E7	E8
At Coca Cola, how do you characterize merchandising?	Here we associate Merchandising with the point of sale, removing the product from the shelf to impulse purchases, especially for consumers who do not have a planned purchase, and who bump into our products and take it.	Dynamics that attract more younger Targets: that's our gap	I think it plays a fundamental role, because we are a leading brand, I think that because it is a brand that it is, it ends up showing that we have an impact, a very marked position, a very thought-out strategy, this is denoted at the point of sale.	The communication of the names, the entire range of colors, works many categories, there are more than 70% of the purchases are made in the central aisle, and the products are at eye level.
What role is assigned to merchandising at the point of sale?	Difference in communication  Occasion is communicated, prices I am of the opinion that one should communicate only one, it should be fast, and something that captivates our attention by the format, colors, something different visible and not by the information itself	We sell the brand a lot, the materials have this lever, Fanta, it is a sales strategy because it is associated with Coca Cola	Above all 360 campaigns I think the consumer has to be impacted everywhere, supermarket, small store, or if he is on Instagram he has to receive the same messages the communication must be the same, aligned, and work closer to the consumer, needs	I think that Coca Cola sells itself, we have to make it easy for them to find the products, the main key is the cold cuts, a cold drink in the summer increases sales.
What is the strategy and specifics? What objectives? What could be better?	For the brand, it is part of having 360° tools, it is important to communicate be-online and together it is enough	What we do as a differentiator is where we have greater autonomy, on Halloween for example, in stores	I think we work in a system of a brand that has its eyes set, but they can limit what we would like to do,	We don't have much, we can't give much opinion because the strategies are defined, you don't have the power to create, it's always the same in placing products

		especially, we can be more		at points of sale. It could be changed, it could be made of cardboard, create usable boxes or materials on islands to be more visible.
What is the weight of sales from exclusive stores in the business?	For the brand, it is part of having 360° tools, it is important to communicate be-online and together it is enough	We were able to create more impactful structures in stores, with attractive visual structures.	Look as a consumer I like big activations, I like the differentiating factor, something small, but if it incites something, this is how the brand should be presented, add greater value	In my area the smaller stores where the replenishment is worse there is no segmentation, if I want to see a different way to present the brand I would have to go to a hypermarket
What is the difference between the stores in the North (Porto) and South (Lisbon) of the country?	There is a peak in the summer, in Madeira at another time, we do not change the communication of different places, the form of communication is always the same, only some strategic in general.	There is a question of price, in the north they are more kesh, there are stores with pallets at the entrance of the store to sell because they know that customers take the largest number, as is the case with stores in the north. In the South it is better in the summer.	Each market has its specificity, also because there are cultural changes, different from one type to another, I feel the closer to the area the better the communication will be, we should not always do it like this, it depends on what we are activating.	There is no difference between regions, this difference cannot be achieved. In the countryside, one product can be sold more than another, favourite flavours can be sold more in a certain place. The choice is different in relation to consumption
What is the importance of the (own) point of sale in the communication strategy of the Coca Cola brand?	We look at the products we present, for next year we think of another more sustainable way of the brand	It depends on the brands, I think we are distant, we create emotion at the right times like Christmas, but the rest of the	Above all, thinking about the moment from the moment you enter the point of sale you must be attracted, at the point of attraction you must be worked	I think that Coca Cola sells itself, we have to make it easy for them to find the products, the main key is the cold cuts, a cold drink in the

		<p>year we are more informative, without proximity, in relation to the competition. Changing the strategy should be more emotional</p>	<p>on, something that leads you to think that you want that product, whether it is to order a drink with a combination, with the food. It helps the consumer to purchase our products.</p>	<p>summer increases sales.</p>
<p>What goals for the next year/cycle?</p>	<p>It has nothing to do with Merchandising, but for the brand's strategy it is just a consequence of this, moments of consumption</p>	<p>Yes, I think that all the moments we have throughout the year is a lever for what is to come. Everything that is the company's strategy is essential both at the point of sale and digitally.</p>	<p>I think we work in a system of a brand that has its eyes set, however, they may limit what we would like to do, and we work in a system in compliance with the brand owner that has different visions, and impacts sales at the point of sale</p>	<p>We don't have much, we can't give much opinion because the strategies are defined, you don't have the power to create, it's always the same in placing products at points of sale.</p>
<p>They use some communication of an emotional nature, or they only use c  Information communication (e.g. technical information, product features, ...)?</p>	<p>We have communication for different consumption occasions, associated with food, it is one communication, drinks, another, type of consumer, moment, occasion. It has to do with seasonality and, there is a peak in the summer, in Madeira at another time, we do not change the communication of different places, the form of communication is</p>	<p>It is transversal to all points, it is not specific to the store, Coca Cola is in all of them, but more informative and not very emotional,</p>	<p>Yes, above all, consumers are looking for a connection to brands that is emotional as well as informative, and that's why we have changed the way we communicate with them, emotionally and informatively.</p>	<p>Emotional is done at Christmas, in recent years it has changed to a more informative form, but we are losing this type of communication to the younger ones mainly.</p>

	always the same, just some strategic in general.			
How does the brand work on consumer expectations, that is, what innovations do they incorporate in stores in order to motivate a next visit?"	Recruiting younger people as consumers, coke creations, directed to the target uses innovations a lot, we need different things today	I think that projects like Coca Cola Lima try to meet the expectations of customers, but throughout the year no, you must change and innovate compared to the competition otherwise we fall behind	Above all 360 campaigns I think the consumer has to be impacted everywhere,	For me it is a number 1 brand, it always has to innovate as an essential strategy, while communication more experiential experiences should be carried out, activations in hypermarkets, we have a much higher vision, but the brand is not interested, people already know it.

Categories / questions	E9	E10	E11	E12	E13	E14
At Coca Cola, how do you characterize merchandising?	Coca Cola turns out to be another brand, at points of sale, we don't know anything else as a differentiator, more of the same we don't do anything new	But communication is essential as Pepsi has a much more impactful communication than us. We don't have a message like before, and nowadays there is no slogan that associates you with the brand.	It is a merchandise always tries to create a relationship with the customer,  An appropriate target and the time of year is important at the time of decision	We are the best of the merchandising players, however the phase is challenging, the brand has been innovating, sustainability fund,	Communication above all, there are some internal challenges in the availability of materials, we have defined moments for activations, to ensure always, I think we still don't have a very impactful communication,	We have the best brand to work with, we are the owner of the brands, it delays the decision making a little, we have to align ourselves with the market, we defend a very large market share, we have to do the most thoughtful things, our strategy has been more in Coca Cola Zero that will grow even more
What role is assigned to merchandising at the point of sale?	I think the point of sale is important, but materials have an ungrateful position, purchases are made quickly by consumers, we often work to be visible in terms of space,	Above all, communication, challenges at the internal level, materials, ensuring that when we do the activations, we always have the products available.	Point of sale is important in Coca Cola's strategy, I feel that digital is the future, at the same time it is where we receive more information at the same time and we lose it, so the point of sale is simpler, which creates an easier relationship.	More than adapting the company to this pace, the communication formats of the past, currently the marketing message is deeper and more global, it has to respond in a completely different way	The customer, the quality of the materials is very impactful, you, whether in a service or a product performance characteristic, in the materials you have to have a strong composition, because if it falls it is a disgrace. And exhibitors must have protection	The merchandising + and the packaging of the products and the decoration as their own image, replicate shop windows in an impactful way the tops of eye-catching shop windows. It will continue to modernize communication

						at the point of sale.
What is the strategy and specifics? What objectives? What could be better?	There is a lot of dispute, we end up being swallowed up by a lot of information, Coke is different and those who want to consume Coca Cola do not need much promotion,	In the case of exhibitors for business development, here the point is the customer's first concern is the price and product rotation, the communication should be fast and direct, impactful will lead to greater trust	I think that Coca Cola will seek information both in the emotional part in the Christmas campaign, people's feelings, and specific and technical campaigns such as the earnings from something if you buy the products, technique by transmitting information about ingredients aims to direct the targets that already have and new ones. Reaching out to everyone	There is always room to improve, Coca Cola is always improving, innovating to look for new markets, and always doing something different,	From excitement that someone is not expecting what is innovative, it can be a more impactful communication in the exhibitors as more relevant, for the development of the business	The merchandising + and the packaging of the products and the decoration as their own image, replicate shop windows in an impactful way the tops of eye-catching shop windows. It will continue to modernize communication at the point of sale.
What is the weight of sales from exclusive stores in the business?	So I see how the fact that we are present at the point of sale, being connected to other brands would be a benefit	I think there is a mix, the issue of functionality in innovation is essential, the emotional issue is also relevant, but no one needs Coca Cola to live and we need to change this view		Recognizing that purchases are not PLANNED, stores are places Super noisy, a lot of branding, an antithesis of this way of acting is sought, in a	I think that there is a mix, functionality is very relevant in innovation and the emotional issue is more relevant because we sell a feeling, the need for a refreshing	I like long-term agreements with the client more, I think the first should be a strategy and a long-term relationship, building value between both parties,



				territory with many stimuli,	drink, whether it is a treat, an escape. The most pleasurable home experience the emotion is also relevant	currently we are 50 to 50% between the parties.
What is the difference between the stores in the North (Porto) and South (Lisbon) of the country?	It also depends in general, no. But at certain times of the year the south is stronger than another region of the country	We are a small country and as a rule it should be the same for everyone, but I'm not against the opposite, whether the south in the summer should have something differentiating, only in this case and it should be similar for all stores	The type of consumption varies a lot throughout the country, the focus is different, we do the same in terms of Merchandising, but the culture, time of year, campaigns are carried out can have a greater or lesser impact, as in the south it has a greater impact, it influences consumers	No, first we are increasingly global, and in Portugal we are more general, it's all Portugal, it has more risks than benefits, but a different way of communicating for each region was not successful. I am the same consumer the same in all locations.	We are a small country, as a rule it should be the same for everyone, I am not against, for example, in the summer having some differentiating factor in the South, and communication has to be the same for everyone.	Agreement with a wide horizon with the distributor. Extra-visibility more permanent in time.
What is the importance of the (own) point of sale in the communication strategy of the Coca Cola brand?	Specific target  We work as a great channel in hypermarkets and small stores and convenience is different and communication will be different	It depends on the moment, on the basis of the line we have to have cold cuts that are capable, clean, illuminated, have a display showing a more emotional video, have some points of	I think it can be the proximity, but it can also be in the case where customers prefer to go to these places because they have greater power of choice, than in smaller places.	First, because we are Hyper obsessed with shopper trends, one of the challenges is to turn those who do not consume our products into a Coca Cola consumer. We are designing	It depends above all on the moment, on a regular basis, we have to have cool capable illuminated that draws attention clean, have a display showing an emotional video, have some points of	We are in the highly proportional market, we as market leaders always have the role that is via merchandising that our dynamics do so in the promotion of

		contact in addition to the cold cuts, put the brands on the way out for impulse purchases, and invites to consume		what is planned, and we always try to innovate in terms of sustainability	contact with the customer, highlight in the store	products, as the main brand of soft drinks with the minimum price change
What goals for the next year/cycle?	The main objective is that we must reach the consumer, is to ensure that he knows what the Coca Cola brand is and that he is loyal to the brand as it has always been.	To find something different in the experience at home, and in this case it is emotional. In the case of Colgate, it was an example, another brand had the face of people and this is emotional	Invest more in communication at points of sale, considering the target of that same store.	One of the challenges gravitates around the strategies of the shopper how we can do it differently, the priorities and what is being done well and what is failing. We will present at the end of the month a better merchandising plan. We want to invent more sustainable products, reduce the amount of cardboard, and reduce costs, not lose impact and do it differently	We have to work on impulse buying. Everything that is to refresh in the summer, in terms of points of sale, can be secondary spaces due to the presence of the brand, with a simple and direct message and product availability. Better innovation. Have promoters	Yes, for two reasons we have been following this position, in relation to the competition we do better and better, we are sure that we will react next year we will have more materials at the points of sale
How does the brand work on consumer expectations, that is, what innovations do they	The consumer who likes Coca Cola does not need great introductions, goes to the site and buys, 2024	In the various points of sale in the secondary spaces, for the issue of product availability, there is rotation	always focusing on Target and adapting the ways of selling to it, taking into account the age and	First, because we are Hyper obsessed with shopper trends, one of the challenges is to turn those	The customer, the quality of the materials is very impactful, you, whether in a service or a product	Yes, for two reasons we have been following this position, in relation to the competition we

incorporate in stores to motivate a next visit?"	we brought important innovations, with different rituals, thus pulling our younger customers to their consumption.	of the brand's product, there is availability of the product for consumers to take.	preferences of customers, which change over time, the brand can never stop in time if they are the same as 30 years ago it does not attract the customer that the company needs and is looking for.	who do not consume our products into a Coca Cola consumer. We are designing what is planned, and we always try to innovate in terms of sustainability	performance characteristic, in the materials you have to have a strong composition, because if it falls it is a disgrace. And exhibitors must have protection	do better and better, we are sure that we will react next year we will have more materials at the points of sale
--	--	---	---	---	---	--



## **Annex C - Transcription of interviews**

### **INTERVIEW 1 – ALEXANDRE**

#### **1. How do you characterize the soft drink market in Portugal in terms of merchandising?**

Merchandising is Power because only Coca Cola has a different vision, we don't see others activating merchandising in terms of advertising, others don't, there is no campaign that can be disruptive, and that we could be at that level

#### **2. What are the main dynamics? And specificities/particularities?**

Investment is being analysed for prices, taking into account the operators and the market in Portugal is very concentrated, the negotiating power is on the side of the dynamics and schedules of customers

A very particular market, the 3rd in Europe, where the promotional volume index is higher, gives the communication dynamics a lower weight in the market.

#### **3. Who are the main players? How do they stand out?**

Water is a third of the category, there is no water, no deposit system and you see purified water in some supermarkets. You have your own brands for the consumer, there is no brand innovation, very old brands without dynamics, low value per liter. Joy is dead, there is nothing disruptive about Ice-Tea

The cola category is the most resilient, the main player in carbonated drinks, with the exception of Pepsi this year. Compal with the dynamics of flavour innovation, it continues to be the winning format. Flavour combination optics. Bring the local fruit, alcobaça apple.

#### **4. At Coca Cola, how do you characterize merchandising?**

It is a successful photo strategy with several + critical points, consumer attraction we try to influence customer choices, it means that every month we have transactional photo campaigns that already have communication on networks, summer, Christmas, Halloween, carnival campaigns, all the associated energy themes we are always communicating these brands with the fact that we are the first supplier to have an interactive engine and taking the opportunity to implement the incidence of the brands, a set of tools beyond Merchandising experiential experiences and we will continue to design the brand picture.

#### **5. What is the strategy and specifics? What objectives? 6. What could be better?**

That the business relationship would be less transactional and more partnership that would lead to enhancing the communication strategy in a more impactful and massive way and there is probably only one multinational that has done it, and we want to maintain this DNA of the communication of our campaigns and the methodologies of how campaigns emerge to attract attention, Placing motorcycles inside supermarkets, not just in the imagination.

**7. What is the importance of the (own) point of sale in the communication strategy of the Coca Cola brand**

**8. What goals for the next year/cycle?**

Digital investment is becoming more and more important, the consumer already exceeds 70% of what is the budget for investments, in a global way, when we talk about channel it is still incipient, which represents the business and in weight is smaller, next year there will be a campaign again, a campaign that will join the dynamics of next year, More investment in physical campaigns

**9. How can it influence the relationship with distributors?**

We go hand in hand with suppliers and retailers

**10. What role is assigned to merchandising at the point of sale?**

In the business relationship, the transactional past passes through the perspective of investment, developing the business, this perspective made the pie grow and not increase my slices in that pie, characteristic of the market, in Portugal there are no partner customers, only one, we go hand in hand Portugal is not a market of partnerships, but individualistic and selfishness.

**11. Do you use any communication of an emotional nature, or do you only use informational communication (e.g. technical information, product features, ...)?**

20 years ago, the Coca Cola mother brand changed the strategy to the point that everyone remembers the ads of 20 years ago and now there is no such thing, there is what it is now, what the customer needs on this occasion, is a very functional communication according to the occasion, we can go back to this previous dynamic, and emotional within the communication less spontaneous functional character, a correct communication for the moment what exists today.

**12. Do you use any communication of your own, taking into account segments, store formats?**

Technology companies have taken over Christmas, "do it differently, call those you haven't spoken to for a long time", companies have gone to this emotional one, not that this is the only way, but

nowadays, the speed of information is very fast, and sharing is fast, and it creates a short space of time in terms of differentiator that leads to contrary feelings, towards the fear of greenwashing

**13. What is the weight of sales from exclusive stores in the business?**

Occasions, first the needs of the buyer and the business opportunities that are evident in the categories of innovation, trend through communication on social networks and in their followers who produce behaviours, and this is a little bit the path that we do not control and implement a strategy of occasion and take it to the maximum. There is no other way to design, customers, needs, channels

**14. What is the difference between the stores in the North (Porto) and South (Lisbon) of the country?**

There are countries and geographies that are different, see Spain and Portugal are significantly different, mainland Portugal is not, the islands have some difference in behaviour, tropicity of sabo5res, slightly distinct by climate, culture, they are insular behaviours.

**15. How do you try to reflect Coca Cola's image in the various points of sale?**

We see presentations from 20 years ago and the brands with the highest known value of services, today within the ranking only Coca Cola is the 20 most valuable brand with support technology. Other technology services, such as amazon, Uber services and therefore, the challenge of Coca Cola centennial brands does not have the engagement is a daily challenge how to find the secret formula of 142 years later, as it continues to be relevant to the consumer and daily in terms of speed of propagation the opinion of consumers is brutal, Therefore, the challenge is to achieve the success of previous relevance.

**16. How does the brand work on consumer expectations, that is, what innovations do they incorporate into the stores in order to motivate a next visit**

It is difficult to have a personal imprint, about the business perspective or opinion because the global strategy of the materials is standardized and removes this personal opinion from things, and from business, we can follow the international guidelines, I do believe that execution, no matter how simple it is in terms of material, can make a difference, coherent execution makes a difference and that is what gives a character of correspondence that we want, This is the way. The consistency and coherence that we make in all points of sale will mark the brand's trend with consumers. From biscuits to milk or groceries, the main thing is Coca Cola.





## INTERVIEW 2 - BEATRIZ

### 1. How do you characterize the soft drink market in Portugal in terms of merchandising?

It is Super dynamic and unlike other categories, they are a very frequent consumption category and there are many dynamics and activations of the various brands.

### 3. Who are the main players? How do they stand out?

Compal above all, I think it can activate a little more suitable for the Portuguese markets, being a multinational we have a little less local power, and it can get closer to the consumer

### 2. What are the main dynamics? And specificities/particularities?

The consumer makes a very quick decision, merchandising is a good, strategic solution, because the shopper must put the Coca Cola before the end of the purchases and merchandising acts in this aspect, it has been there, from an insider perspective, there is a permanent activation policy.

### 4. At Coca Cola, how do you characterize merchandising?

There is that issue I mentioned, sometimes we have little response in time and at the local level, but more in the campaigns we end up having more international things, one thing that we have been improving is to put the chips in the right places, in the right stores, to activate purchases in university areas, schools and I think that this is a point that we can improve, Boost sales

### 5. What is the strategy and specifics? What objectives?

We are preparing the next one's plan and in order to reach the proposed objectives, increasing volume by baskets we have to have the right merchandise, appropriate and activate the right situations and appropriate formats, in the right places and stores, and merchandising is the way we have to apply co-construction, of flavours.

### 6. What could be better?

Activations have to be negotiated in a way that if they are already in-win and if they are not they can wear out the relationship for both sides, it has to be balanced, between both, a part of showing us our products to consumers

### 7. What is the importance of the (own) point of sale in the communication strategy of the Coca Cola brand?

**8. What goals for the next year/cycle?**

**9. How can it influence the relationship with distributors?**

**10. What role is assigned to merchandising at the point of sale?**

**11. Do you use any communication of an emotional nature, or do you only use informational communication (e.g. technical information, product features, ...)?**

Emotional or informative – with the rebranding that is coming it is much more informative, cocaola has no sugar, reinforce the message and then there are also campaigns that take it to the emotional such as meals with the family.

**12. Do you use any communication of your own, taking into account segments, store formats?**

As I work in the area I am not the best person, but only if it is a impulse product, but I mainly look at the prices. As a consumer, price is the most decisive factor in the purchase, when I look at the benefits, whether in nutritional terms of sugar

**13. What is the weight of sales from exclusive stores in the business?**

The Coca Cola probably the issue is hobbies, where the consumer can gain some benefit, euro 2024 stickers, turns out to be one to attract the consumer

**1. What is the difference between the stores in the North (Porto) and South (Lisbon) of the country?**

Geographically I don't see any differences, where we are is where the target of the campaign and strategy is, being active and in the case of co-coronation we realized that in the stores that we generated specific traffic was a success, Target has to be appropriate for the location. It's different from location to location and store to store

**15. How do you try to reflect Coca Cola's image in the various points of sale?**

What is most important for the brand is one of the best known, here it is important to continue to ensure the loyalty of the older audience that has been consuming Coca Cola for many years, and continue to recruit the youngest, generation Z and others may not be fans of these drinks, such as energy drinks, And the brand has to innovate to attract the attention of this generation that needs things that attract attention very quickly, both emotionally and from a societal point of view.

**16. How does the brand work on consumer expectations, that is, what innovations do they incorporate in stores in order to motivate a next visit?**

### **INTERVIEW 3 – FILIPA**

**1. How do you characterize the soft drink market in Portugal in terms of merchandising?**

A more active and dynamic market, more and more brands are betting on Merchandising has a huge growth.

**2. What are the main dynamics? And specificities/particularities?**

Focus on digital is increasing and in the store it is also very important, the players in the beverage sector, Lipton, in addition to our beverages is very strong, and Compal

**3. Who are the main players? How do they stand out?**

Do you see these brands in stores with a better appeal? Yes of course having the brand available on the shelf is not enough

**4. At Coca Cola, how do you characterize merchandising?**

To be close to the consumer, to the younger ones through their tastes, music,

**5. What is the strategy and specifics? What objectives?**

Maybe bet on something more permanent taking into account the sustainability of today, which is something to change, as digital I see more and more points of sale having spaces to digitally place their products and campaigns

**6. What could be better?**

We are increasingly in materials that are resistant, that last longer

**7 - What is the importance of the point of sale (own) in the communication strategy of the Coca Cola brand**

We have a thousand brands communicating at the point of sale and if you are not one of these brands with a strong presence you are forgotten

**8. What goals for the next year/cycle?**

All brands have a duty to draw attention at the point of sale, digital should be the most necessary and special bet, communicating on screens is a long-term saving

**9. How can it influence the relationship with distributors?**

**10. What role is assigned to merchandising at the point of sale?**

The more personality the better, when we know that we are going to be in a certain place, we must be specific to that same place, when doing the same type of campaign does not attract consumers so much,

Communication invent in the market

**11. Do you use any communication of an emotional nature, or do you only use informational communication (e.g. technical information, product features, ...)?**

Communication is always the same, but it should be changed, although we think that the mainland and the islands are the same, a different strategy should be applied. It depends on the moments, at Christmas for example, it is more emotional connection with the brand, the brand was worked with the festive situation

**12. Do you use any communication of your own, taking into account segments, store formats?**

Innovations with coke creations that reaches younger people who are not in the habit of consuming it but will start to consume, in digital we can innovate better because this generation is where they communicate and thus can reach the target we want.

**13. What is the weight of sales from exclusive stores in the business?**

**14. What is the difference between the stores in the North (Porto) and South (Lisbon) of the country?**

**15. How do you try to reflect Coca Cola's image in the various points of sale?**

**16. How does the brand work on consumer expectations, that is, what innovations do they incorporate in stores in order to motivate a next visit?**

## **INTERVIEW 4 – INÊS**

### **1. How do you characterize the soft drink market in Portugal in terms of merchandising?**

For us it is complicated to relate sales to materials, we can only understand better when there are campaigns, and at Christmas and Carnival it is the activations in the campaigns that we can see the difference between Coca Cola and other brands. Putting a box in Sonae may not have an impact on sales.

### **2. What are the main dynamics? And specificities/particularities?**

I follow the sales month after month and this is noticeable we make the weekly report in which we put the sales, and so we can relate the sales with the customers. There can be activation because it is very important, not only for the goals. Activation is very important for sales

### **3. Who are the main players? How do they stand out?**

The competition is also activating very well, good communication is essential to achieve the goals, I can understand the right places with the right activations, right price, because it doesn't have the same impact everywhere. A different purpose for each customer target. I'm going to fall into what "in my temple was cool", in terms of marketing when I was more a teenager of 14 and 15 years old, marketing was more aggressive and even when we had fewer communication channels, it was a lot of radio and television, and billboards, it was more flooded with marketing and in relation to soft drinks there has been a war where it makes the market move, currently there are the current campaigns, most striking.

### **3. At Coca Cola, how do you characterize merchandising?**

I was a Coca Cola consumer, but I stopped being one when I got pregnant, and my daughter doesn't like it, when I go to the store I see the brand, but I don't look much at Merchandising. I was never very passionate about Merchandising, as an example, my mother consumed the products for the offers they brought, not for the product itself. In terms of quality, I haven't seen anything that offers that caught my attention, like the stickers that disappeared, I think it's not attractive as a consumer.

### **4. What is the strategy and specifics? What objectives?**

In the past, promotional beeps were among the most commonly used marketing tools, with Coca-Cola leveraging these methods through its iconic beeps, while Pepsi offered prizes at beaches. However, the current marketing landscape has become less aggressive. Portugal has a limited variety of soft drinks, with a growing interest in healthier teas and beverages.

**5. What is the strategy and specifics? What objectives?**

I'm the opposite of my mother I created a block, any advertising I don't care about or impact me. It doesn't have a big impact for me, but there are people who give a lot of importance, so it can help the company for a type of people, I'm faithful to the price I want, I know what I consume. There are many people whose campaigns influence their decision to choose, they like to walk around the supermarket and see the news, and it can be in greater numbers.

**6. What could be better?**

**7. What is the importance of the (own) point of sale in the communication strategy of the Coca Cola brand?**

**8. What goals for the next year/cycle?**

**9. How can it influence the relationship with distributors?**

I think it strengthens the relationship and opens a door to do more activations, innovators create an idea and that is essential, often you can only do that if the retailer has confidence in you, if the previous one went well then it can be done in the same way, in the next one. Not all retailers did not understand the idea, but it was not well explained and there was some resistance from it.

**10. What role is assigned to merchandising at the point of sale?**

**11. Do you use any communication of an emotional nature, or do you only use informational communication (e.g. technical information, product features, ...)?**

**12. Do you use any communication of your own, taking into account segments, store formats?**

I think Coca Cola is one of the main brands, but it is rare to change Coca Cola for Pepsi, and in the younger generations it is different, they are not so loyal to the brand, the new consumers are aging and we have to create other innovations otherwise it falls. In terms of Coca Cola they are not the ideal ones sometimes poorly activated, Pepsi is gaining more and better and Coca Cola should do the same, recruit people with more innovative ideas.

**13. What is the weight of sales from exclusive stores in the business?**

Activation, despite not having much experience, communication is different from store to store, I think that communication should be aligned with all points of sale, but appropriate for each target. The saints, for example, are more from Lisbon and Porto, and on the island of Madeira with the flower festival, it's different, but I think it should be identical

14. What is the difference between the stores in the North (Porto) and South (Lisbon) of the country?
15. How do you try to reflect Coca Cola's image in the various points of sale?
16. How does the brand work on consumer expectations, that is, what innovations do they incorporate in stores in order to motivate a next visit?





## **INTERVIEW 5 – MARIA JOÃO**

### **1. How do you characterize the soft drink market in Portugal in terms of merchandising?**

Not very innovative market,

### **2. What are the main dynamics? And specificities/particularities?**

Soft drinks there are more and more players in the market, with little sense in some products, it is increasingly difficult to implement spaces such as Mercadona where everything is tidy. It's all very similar in the players, they experiment in terms of technologies.

### **3. Who are the main players? How do they stand out?**

We don't have many players, we all do a bit the same, Red bull must be in larger spaces, and close to schools, there is a more seasonal segment.

### **4. At Coca Cola, how do you characterize merchandising?**

### **5. What is the strategy and specifics? What objectives?**

Here we associate Merchandising with the point of sale, removing the product from the shelf to impulse purchases, especially for consumers who do not have a planned purchase, and who bump into our products and take it.

### **6. What could be better?**

It has nothing to do with Merchandising, but for the brand's strategy it is just a consequence of this, moments of consumption.

### **7. What is the importance of the (own) point of sale in the communication strategy of the Coca Cola brand?**

For the brand, it is part of having 360º tools, it is important to communicate be-online and together it is enough.

### **8. What goals for the next year/cycle?**

We look at the products we present, for next year we think of another more sustainable way of the brand.

### **9. How can it influence the relationship with distributors?**

It changes from retailer to retailer, the less noise in the store the better, while for example at Sonae they want visible campaigns and, therefore, they must be negotiated store by store.

**10. What role is assigned to merchandising at the point of sale?**

Difference in communication.

Coca Cola communication is very confusing, you want to communicate too much information, you communicate occasion, prices I am of the opinion that you should communicate only one, it should be fast, and something that captivates our attention by the format, colours, something different visible and not by the information itself.

**11. Do you use any communication of an emotional nature, or do you only use informational communication (e.g. technical information, product features, ...)?**

**12. Do you use any communication of your own, taking into account segments, store formats?**

**13. What is the weight of sales from exclusive stores in the business?**

We have communication for different consumption occasions, associated with food, it is one communication, drinks, another, type of consumer, moment, occasion. It has to do with seasonality and, there is a peak in the summer, in Madeira at another time, we do not change the communication of different places, the form of communication is always the same, just some strategic in general.

**14. What is the difference between the stores in the North (Porto) and South (Lisbon) of the country?**

**15. How do you try to reflect Coca Cola's image in the various points of sale?**

For me, the point of sale is essential to the strategy, but Coca Cola used to be linked to football, now it's Christmas, nowadays it's going to be music, it's no longer effective for me, we went back to the previous one.

**16. How does the brand work on consumer expectations, that is, what innovations do they incorporate in stores in order to motivate a next visit?**

Recruiting younger people as consumers, coke creations, directed to the target uses innovations a lot, we need different things today.

## **INTERVIEW 6 - NELSON**

### **1. How do you characterize the soft drink market in Portugal in terms of merchandising**

In terms of merchandising it is carried out at the point of sale, observe the competition.

### **2. What are the main dynamics? And specificities/particularities?**

We work we create 100% of the brands, Fanta in the company's strategic Halloween we can be more limited to the brand.

### **3. Who are the main players? How do they stand out?**

Pepsi and Compal, with greater autonomy have a greater impact on the Merchandising market, greater coverage of 360 with greater presence on TV at festivals, more sensation of consuming Pepsi at festivals, consume more in stores.

### **4. At Coca Cola, how do you characterize merchandising?**

### **5. What is the strategy and specifics? What objectives?**

Dynamics that attract more younger Targets, that's our gap. What we do as a differentiator is where we have greater autonomy, on Halloween for example, in stores especially, we can be more

### **6. What could be better?**

What attracts me is what is impacted by the look, Easter eggs, more attractive. If you can create the visibility of the products in an attractive way. We were able to create more impactful structures in stores, with attractive visual structures.

### **7. What is the importance of the (own) point of sale in the communication strategy of the Coca Cola brand?**

We sell the brand a lot, the materials have this lever, Fanta, it is a sales strategy because it is associated with Coca Cola

### **8. What goals for the next year/cycle?**

Yes, I think that all the moments we have throughout the year is a lever for what is to come. Everything that is the company's strategy is essential both at the point of sale and digitally. We treat the various brands, in terms of materials it has been more or less the same, we always walk in the same direction

### **9. How can it influence the relationship with distributors?**

As an example, Auchan in the Halloween campaign that had great results last year will have it again this year,

**10. What role is assigned to merchandising at the point of sale?**

It depends on the brands, I think we are distant, we create emotion at the right times like Christmas, but the rest of the year we are more informative, without proximity, in relation to the competition. Changing the strategy should be more emotional

**11. Do you use any communication of an emotional nature, or do you only use informational communication (e.g. technical information, product features, ...)?**

It is transversal to all points, it is not specific to the store, Coca Cola is in all of them, but more informative and not very emotional,

**12. Do you use any communication of your own, taking into account segments, store formats?**

Coca Cola is more familiar, it ends up being transversal in an attempt to reach the younger target, we end up being more familiar

**13. What is the weight of sales from exclusive stores in the business?**

**14. What is the difference between the stores in the North (Porto) and South (Lisbon) of the country?**

There is a question of price, in the north they are more kesh, there are stores with pallets at the entrance of the store to sell because they know that customers take the largest number, as is the case with stores in the north. In the South it is better in the summer.

**15. How do you try to reflect Coca Cola's image in the various points of sale?**

There is the shopper who goes after promotions, and others who don't, take Coca Cola because they are loyal to the brand and have the habit of doing so.

**16. How does the brand work on consumer expectations, that is, what innovations do they incorporate in stores in order to motivate a next visit?**

Don't think, I think that projects like coca cola lima try to meet the expectations of customers, but throughout the year no, you must change and innovate compared to competition otherwise we fall behind

## **INTERVIEW 7 – RITA**

### **1. How do you characterize the soft drink market in Portugal in terms of merchandising?**

I think that in terms of merchandising it is very rich, and it can be differentiating and a lot of margin for you to get away from something, some brands can work very well in terms of soft drink

### **2. What are the main dynamics? And specificities/particularities?**

At the channel level, I have never worked, there is, however, a trend where brands try to attract customers to impulse purchases at the checkouts, and others work very well in spirits have the opportunity to leverage their energies on the right shelves

### **3. Who are the main players? How do they stand out?**

Pepsi, yes, Sumol, in the case of Compal, but it's not direct, it works in a way that we don't work with, it's very regional,

### **4. At Coca Cola, how do you characterize merchandising?**

Yes, I think it plays a fundamental role, because we are a leading brand, I think that because it is a brand, it ends up showing that we have an impact, a very marked position, a very thought-out strategy, this is denoted at the point of sale.

### **5. What is the strategy and specifics? What objectives?**

### **6. What could be better?**

I think we work in a system of a brand that has its eyes set, however, they may limit what we would like to do, and we work in a system in compliance with the brand owner that has different visions, and impacts sales at the point of sale

### **7. What is the importance of the (own) point of sale in the communication strategy of the Coca Cola brand?**

### **8. What goals for the next year/cycle?**

Above all, thinking about the moment from the moment you enter the point of sale you must be attracted, at the point of attraction you must be worked on, something that leads you to think that you want that product, whether it is to order a drink with a combination, with the food. It helps the consumer to purchase our products.

### **9. How can it influence the relationship with distributors?**

Yes, I think it's a win-win relationship, that is, if our materials lead to the purchase and help in the way the customer buys, retailers like to work with us and be of benefit to both

**10. What role is assigned to merchandising at the point of sale?**

**11. Do you use any communication of an emotional nature, or do you only use informational communication (e.g. technical information, product features, ...)?**

Yes, above all, consumers are looking for a connection to brands that is emotional as well as informative, and that's why we have changed the way we communicate with them, emotionally and informatively.

**12. Do you use any communication of your own, taking into account segments, store formats?**

Look as a consumer I like big activations, I like the differentiating factor, something small, but if it incites something, this is how the brand should be presented, add greater value.

**13. What is the weight of sales from exclusive stores in the business?**

**14. What is the difference between the stores in the North (Porto) and South (Lisbon) of the country?**

Each market has its specificity, also because there are cultural changes, different from one type to another, I feel the closer to the area the better the communication will be, we should not always do it like this, it depends on what we are activating.

**16. How does the brand work on consumer expectations, that is, what innovations do they incorporate in stores in order to motivate a next visit?**

Above all 360 campaigns, I think the consumer has to be agreed everywhere, supermarket, small store, or if he is at Instagram he has to receive the same messages, communication must be the same, aligned, and work closer to the consumer, needs

## **INTERVIEW 8 – SOFIA**

### **1. How do you characterize the soft drink market in Portugal in terms of merchandising?**

From the point of sale it is very dynamic, communication is always a battle, we all want to be the best and most seen.

### **2. What are the main dynamics? And specificities/particularities?**

For example, I believe that there are not many experiences in this case yet, but the relationship with the final consumer does not occur in this type of pastimes, I end up feeling that there are not many occurrences in this case.

### **3. Who are the main players? How do they stand out?**

Sumol, Compal. They have all just worked in the same way, we have some points of contact, but it is Pepsi that is present in this aspect, especially at summer festivals.

### **4. At Coca Cola, how do you characterize merchandising?**

Coca Cola turns out to be another brand, at points of sale, we don't know anything else as a differentiator, more of the same we don't do anything new

### **5. What is the strategy and specifics? What objectives?**

### **6. What could be better?**

I think that the strategy is only about the way we reach the customer, in relation to the occasion and the target, of the younger people at festivals being in places like this is essential, even if in the household. Be more dynamic

I think the point of sale is important, but the materials have an ungrateful position, purchases are made quickly by consumers, we often work to be visible in terms of space, but in this case, we don't have visibility because the consumer won't stop to see the brand. So I see how the fact that we are present at the point of sale, being connected to other brands would be a benefit

### **8. What goals for the next year/cycle?**

The main objective is that we must reach the consumer, is to ensure that he knows what the Coca Cola brand is and that he is loyal to the brand as it has always been.

### **9. How can it influence the relationship with distributors?**

He doesn't like this presence, but as a brand it works at different times, and there is a big dispute in the competition, and he doesn't like occupying the space in his store

**10. What role is assigned to merchandising at the point of sale?**

**11. Do you use any communication of an emotional nature, or do you only use informational communication (e.g. technical information, product features, ...)?**

It depends, if it's hobbies it's informative, like in the summer, but we should have more technical information that we don't have.

**12. Do you use any communication of your own, taking into account segments, store formats?**

Specific target.

We work as a great channel in hypermarkets and small stores and convenience is different and communication will be different.

**13. What is the weight of sales from exclusive stores in the business?**

**14. What is the difference between the stores in the North (Porto) and South (Lisbon) of the country?**

It also depends in general, no. But at certain times of the year the south is stronger than another region of the country

**15. How do you try to reflect Coca Cola's image in the various points of sale?**

I end up not being faithful, I don't need a big promotion, there is a lot of dispute we end up being swallowed up a lot by a lot of information, coke is different and those who want to consume Coca Cola don't need a big promotion,

**16. How does the brand work on consumer expectations, that is, what innovations do they incorporate in stores in order to motivate a next visit?**

The consumer who likes Coca Cola does not need great introductions, goes to the site and buys, 2024 we brought important innovations, with different rituals, thus pulling our younger customers to their consumption.



## **INTERVIEW 9 – JOÃO**

### **1. How do you characterize the soft drink market in Portugal in terms of merchandising?**

The soft drink market lives a lot from Merchandising, it is the way the market has to make brands be able to position themselves in suitable and more visible places, the importance is all the greater for everyone, to stimulate impulse purchases. When passing through a central corridor, the consumer takes Coca Cola. In case you go to buy a chicken, placing the Coca Cola next to it leads you to purchase, displays in effective zones.

### **2. What are the main dynamics? And specificities/particularities?**

I think there is a huge challenge for us, to make the materials do their purpose, in the case of Coca Cola Zero, the campaign must be made short, and fast, otherwise the consumer will not care. The final decision is always up to the brand, we have little margin

### **3. Who are the main players? How do they stand out?**

Sonae is a huge client as a very evolved way of acting, it has many spaces in the store, it explores communication in various store spaces, close to food, cold cuts, and we are going to implement new ways of communicating. One of the secrets is that communication must be equal online and face-to-face and articulated between all media.

Auchan not so much, but they are already starting little by little for experiences with consumers, the Pingo Doce with the implementation of food, but what stands out the most are the discounters. Although they don't have much interest in big brands like Coca Cola

### **5. At Coca Cola, how do you characterize merchandising? What could be better?**

Above all, communication, challenges at the internal level, materials, ensuring that when we do the activations, we always have the products available. But communication is essential as Pepsi has a much more impactful communication than us. We don't have a message like before, and nowadays there is no slogan that associates you with the brand.

### **5. What is the strategy and specifics? What objectives?**

### **6. What could be better?**

We should give more prominence to more impactful and little explored campaigns,

Vision in the relationship with the retailer.

The customer, I think that the point of sale materials is that the consumer when passing by the islands will not read the information, we have impactful images that will be an important asset in the sale and in the choice of customers. The message we can pass on is the main challenge going forward. In my particular case, in the case of exhibitors for business development, here the point is the customer's first concern is the price and product rotation, communication should be fast and direct, impactful will lead to greater trust. The shopping experience should be happy and effective.

**7. What is the importance of the (own) point of sale in the communication strategy of the Coca Cola brand?**

I think there is a mix, the issue of functionality in innovation is essential, the emotional issue is also relevant, but no one needs Coca Cola to live and we need to change this view. To find something different in the experience at home, and in this case it is emotional. In the case of Colgate, it was an example, another brand had the face of people and this is emotional

**8. What goals for the next year/cycle?**

**9. How can it influence the relationship with distributors?**

**10. What role is assigned to merchandising at the point of sale?**

**11. Do you use any communication of an emotional nature, or do you only use informational communication (e.g. technical information, product features, ...)?**

**12. Do you use any communication of your own, taking into account segments, store formats?**

**13. What is the weight of sales from exclusive stores in the business?**

**14. What is the difference between the stores in the North (Porto) and South (Lisbon) of the country?**

We are a small country and as a rule it should be the same for everyone, but I'm not against the opposite, whether the south in the summer should have something differentiating, only in this case and it should be similar for all stores

**15. How do you try to reflect Coca Cola's image in the various points of sale?**

**16. How does the brand work on consumer expectations, that is, what innovations do they incorporate in stores in order to motivate a next visit?**

It depends on the moment, in the base-line we have to have cold, capable, clean, illuminated, have a display showing a more emotional video, have some points of contact in addition to the cold cuts, put

the brands on the way out for impulse purchases, and invites to consume. In the various points of sale in the secondary spaces, for the issue of product availability, there is rotation of the brand's product, there is availability of the product for consumers to take.



## INTERVIEW 10 – MARIANA

### 1. How do you characterize the soft drink market in Portugal in terms of merchandising?

I'll give you my vision, I think the soft drink market invests a lot in merchandising through the activation of different materials that cause visual impact

### 2. What are the main dynamics? And specificities/particularities?

It is a brand that is known by consumers in itself, but it is a brand that has at certain times of the year are stronger, the impact of materials is different in summer or winter, it influences consumers, in addition to being very innovative in technologies, without being complicated and that attract people.

### 3. Who are the main players? How do they stand out?

The main players are Sumol, Pepsi and although they are not direct competitors of beers, they stand out for the fact that in merchandising they stand out more, they are products that consumers consume and for that the dynamic is to have an improved relationship with the consumer

### 4. At Coca Cola, how do you characterize merchandising?

It is a merchandise always tries to create a relationship with the customer, in the summer for the festivals and at Christmas with the figure of Santa Claus, an appropriate target and the time of year, is important at the time of decision

### 5. What is the strategy and specifics? What objectives?

We always have a very defined target, in all campaigns, to have a relationship with the consumer

### 6. What could be better?

It's the feeling of knowing, I think Merchandising activations could be simplified without very large materials, but in terms of application, calling people to our platform, simplifying it is a simpler thing, I feel that sometimes we still have very large expenses in relation to adhesion in the supermarket, it has to be a very simple and fast thing.

### 7. What is the importance of the (own) point of sale in the communication strategy of the Coca Cola brand?

Point of sale is important in Coca Cola's strategy, I feel that digital is the future, at the same time it is where we receive more information at the same time and we lose it, so the point of sale is simpler, which creates an easier relationship.

**8. What goals for the next year/cycle?**

Invest more in communication at points of sale, taking into account the target of that same store.

**9. How can it influence the relationship with distributors?**

I think it ends up being beneficial for both parties, when they are well negotiated as Merchandising the word of mouth calls more people to the point of sale that will benefit the distributors.

**10. What role is assigned to merchandising at the point of sale?**

**11. Do you use any communication of an emotional nature, or do you only use informational communication (e.g. technical information, product features, ...)?**

I think that Coca Cola will seek information both in the emotional part in the Christmas campaign, people's feelings, and specific and technical campaigns such as the earnings from something if you buy the products, technique by transmitting information about ingredients aims to direct the targets that already have and new ones. Reaching out to everyone

**12. Do you use any communication of your own, taking into account segments, store formats?**

It has to do with the target, in some stores the materials that are placed there are usually not so great, and the impacts are different, and the sales.

**13. What is the weight of sales from exclusive stores in the business?**

**14. What is the difference between the stores in the North (Porto) and South (Lisbon) of the country?**

The type of consumption varies a lot throughout the country, the focus is different, we do the same in terms of Merchandising, but the culture, time of year, campaigns are carried out can have a greater or lesser impact, as in the south it has a greater impact, it influences consumers.

**15. How do you try to reflect Coca Cola's image in the various points of sale?**

I think it can be the proximity, but it can also be in the case where customers prefer to go to these places because they have greater power of choice, than in smaller places.

**16. How does the brand work on consumer expectations, that is, what innovations do they incorporate in stores in order to motivate a next visit?**

there it is, always focusing on Target and adapting the ways of selling to it, taking into account the age and preferences of customers, which change over time, the brand can never stop in time if they are the same as 30 years ago it does not attract the customer that the company needs and is looking for.





## INTERVIEW 11 – JOÃO

### 1. How do you characterize the soft drink market in Portugal in terms of merchandising?

A dynamic market, a characteristic of Iberia and if we understand merchandising as a sales communication tool, the soft drink category is quite lively, there are almost 52 weeks of celebration. The brands complement each other, summer periods – festivals, beers, street communications,

### 2. What are the main dynamics? And specificities/particularities?

In fact, there is a great opportunity, brands copy a lot, there is little innovation, the Merchandising implementation model is very similar, often due to retailers' limitations. However, we bring new things, brands are looking for sustainable materials more and more. A new approach is needed

### 3. Who are the main players? How do they stand out?

Highlighting means living off the shelf, the vast majority of purchases are made in an unplanned way, you can't expect the customer to come to the store but we have to go after them, we lead in terms of players, communication with the customer always. By store type

### 4. At Coca Cola, how do you characterize merchandising?

We are the best of the merchandising players however the phase is challenging, the brand has been innovating, sustainability fund, we are an example, the point is that it must be done in the best way, honestly and we have to take this honesty to the **perception of customers. It is for the clients that we work.**

### 5. What is the strategy and specifics? What objectives?

### 6. What could be better?

There is always room to improve, Coca Cola is always improving, innovating to look for new markets, and always doing something different,

### 7. What is the importance of the (own) point of sale in the communication strategy of the Coca Cola brand?

Recognizing that purchases are not PLANNED, stores are places Super noisy, a lot of branding, an antithesis of this way of acting is sought, in a territory with many stimuli, the way we present ourselves in the store is the difference, the marketing effort and communication is in sales that ends. At the point

of sale, the communication strategy must be of the utmost relevance for sales, those who stand out in a differentiated way are the ones who are most successful.

**8. What goals for the next year/cycle?**

One of the challenges gravitates around the strategies of the shopper how we can do it differently, the priorities and what is being done well and what is failing. We will present at the end of the month a better merchandising plan. We want to invent more sustainable products, reduce the amount of cardboard, and reduce costs, not lose impact and do it differently.

**9. How can it influence the relationship with distributors?**

Yes, it influences, the main ones of the large chains that present themselves differently, which in the past had a greater impact on visibility, but currently, they position themselves in a more sustainable way and communicate this to consumers. It depends on the retailers, we are the ones who benefit from the brand.

**10. What role is assigned to merchandising at the point of sale?**

**11. They use some communication of an emotional nature, or they only use c**

**Information communication (e.g. technical information, product features, ...)?**

More than adapting the company to this pace, the communication formats of the past, currently the marketing message is deeper and more global, it has to respond in a completely different way, it is not enough, what has to be authentic is to touch the emotions of consumers, honesty, simplicity, there is a fine zone that brands operate, in an associative way with food, and with other situations. This has greater value. My view is that sometimes it can be directed to the emotional, it can be lost.

**12. Do you use any communication of your own, taking into account segments, store formats?**

**13. What is the weight of sales from exclusive stores in the business?**

**14. What is the difference between the stores in the North (Porto) and South (Lisbon) of the country?**

No, first we are increasingly global, and in Portugal we are more general, it's all Portugal, it has more risks than benefits, but a different way of communicating for each region was not successful. I am the same consumer the same in all locations.

**15. How do you try to reflect Coca Cola's image in the various points of sale?**

**16. How does the brand work on consumer expectations, that is, what innovations do they incorporate in stores in order to motivate a next visit?**

First, because we are Hyper obsessed with shopper trends, one of the challenges is to turn those who do not consume our products into a Coca Cola consumer. We are designing what is planned, and we always try to innovate in terms of sustainability, and according to the needs of consumers, such as Coca Cola zero, without sugar, we follow innovation and market trends in terms of health preferences. Types of formats, what the shopper consumes, why he consumes is essential for the success of the products.

## **INTERVIEW 12 - JOÃO**

**1. How would you characterize the soft drink market in Portugal in terms of merchandising? 2. What are the main dynamics? And specificities/particularities?**

The soft drink market lives a lot from merchandising, from exhibitors, the way the market is the theme to get out of the shelf and make brands position themselves throughout the store. Currently there is a lot of competition, coca cola has a great linear location it should be an impulse buy. Affinity zones become more relevant. And communication because for me it is also important. With great texts it doesn't matter the customer won't care

**3. Who are the main actors? How do they stand out?**

Sonae, a huge customer, evolved than the other markets, has much more space in the store, increasingly explores communication throughout the store, in the cold cuts, through television next to the products, and online is one of the secrets must be an equal and aligned and articulated 360 communications between everyone. Auchan not so much with another different dynamic, but little in merchandising, but they are already changing, Pingo Doce is following the dynamics of Coca Cola. They are the fastest growing brands. Merchandising makes more sense today for communication with the consumer.

**4. At Coca Cola, how do you characterize merchandising?**

Communication above all, there are some internal challenges in the availability of materials, we have defined moments for activations, to ensure always, I think we still don't have a very impactful communication, we have a product that is far superior to Pepsi and we don't have an impactful message. We have very impactful images, but communication is not enough, giving more prominence to internal insights we explore little.

**5. What is the strategy and specificities? What are the objectives?**

**6. What could be better?**

**7. What is the importance of the (own) point of sale in the communication strategy of the Coca Cola brand?**

**8. What are your goals for the next year/cycle?**

**9. De how can it influence the relationship with distributors? 10. What is the role attributed to merchandising at the point of sale? 13. What is the importance of sales in exclusive stores in the business?**

The customer, the quality of the materials is very impactful, you, whether in a service or a product performance characteristic, in the materials you have to have a strong composition, because if it falls it is a disgrace. And exhibitors must have protection

From excitement that someone is not expecting what is innovative, it can be a more impactful communication in the exhibitors as more relevant, for the development of the business, the problem is that when there are many it starts to be harmful, which the point is that the customer's first concern is that if it is a short-lived exhibitor, It will be a theme, or a product that comes out much better. Distributors want impactful product communication by store occupancy. More and more cheaper stores with superior products and gourmet, relevant to combat discounts

**11. Do you use any communication of an emotional nature, or do you use only informative communication (e.g. technical information, product features,...)?**

I think that there is a mix, functionality is very relevant in innovation and the emotional issue is more relevant because we sell a feeling, the need for a refreshing drink, whether it is a treat, an escape. The most pleasurable home experience the emotion is also relevant

**12. Do you use any of your own communication considering store segments and formats? 14. What is the difference between the stores in the North (Porto) and the South (Lisbon) of the country?**

We are a small country, as a rule it should be the same for everyone, I am not against, for example, in the summer having some differentiating factor in the South, and communication has to be the same for everyone.

**15. De how do you seek to reflect Coca Cola's image in the various points of sale? 16. De how does the brand respond to consumer expectations, that is, what innovations does it incorporate in stores to motivate a next visit?**

It depends above all on the moment, on a regular basis, we have to have cool capable illuminated that draws attention clean, have a display showing an emotional video, have some points of contact with the customer, highlight in the store. We have to work on impulse buying. Everything that is to refresh in the summer, in terms of points of sale, can be secondary spaces due to the presence of the brand, with a simple and direct message and product availability. Better innovation. Have promoters

## **INTERVIEW 13 - PEDRO**

### **1. How would you characterize the soft drink market in Portugal in terms of merchandising?**

Coca Cola represents merchandising in Portugal, we have an obligation to play a fundamental role in stores, we are the leaders.

### **2. What are the main dynamics? And specificities/particularities?**

We are in the highly proportional market, we as market leaders always have the role that is via merchandising that our dynamics do so in the promotion of products, as the main brand of soft drinks with the minimum price change.

### **3. Who are the main actors? How do they stand out?**

Competition is dynamic, they are aggressive in prices, at the point of sale and retail, we are more proactive, but the competition has greater communication at the most impactful point of sale, they have a more facilitating role, such as Pepsi, Sumol,

### **4. In Coca Cola, how do you characterize merchandising? 5. What is the strategy and specificities? What are the objectives?**

We have the best brand to work with, we are the owner of the brands, it delays the decision making a little, we have to align ourselves with the market, we defend a very large market share, we have to do the most thoughtful things, our strategy has been more in Coca Cola Zero that will grow even more

### **6. What could be better?**

I think we should be faster and this way of working makes it difficult, be more impactful and aggressive in terms of prices, a lot of brand communication around our points of contact, and having a lot of messages confuses the consumer, we should be more direct.

### **7. What is the importance of the (own) point of sale in the communication strategy of the Coca Cola brand?**

The merchandising + and the packaging of the products and the decoration as their own image, replicate shop windows in an impactful way the tops of eye-catching shop windows. It will continue to modernize communication at the point of sale.

### **8. What are your goals for the next year/cycle?**

Yes, for two reasons we have been following this position, in relation to the competition we do better and better, we are sure that we will react next year we will have more materials at the points of sale

**9. De how can it influence the relationship with distributors?**

I like long-term agreements with the client more, I think the first should be a strategy and a long-term relationship, building value between both parties, currently we are 50 to 50% between the parties. Agreement with a wide horizon with the distributor. Extra-visibility more permanent in time.

**10. What is the role attributed to merchandising at the point of sale?**

We have a good position with the brand, we have to put our brand into perspective, create optimized points of sale and they must be linear, so we must look at our linear space and not only, the competition is always present to defend our linear space at the point of sale. The fight is also fought outside as online.

**11. Do you use any communication of an emotional nature, or do you use only informative communication (e.g. technical information, product features,...)?**

I remember, advertising should be informative and then it should be emotional, I think that 30 years ago we were already emotional, we were already present in the market, to communicate zero is more informative for sustainability and without sugar, you must invest in the emotional part of the brand.

**12. Do you use any of your own communication considering store segments and formats?**

Here is an Achilles heel we must segment even more, in campaigns in the formats of communication, we are still one step behind, but we have evolved the priorities in retail, there was not before a criterion by store and size, in terms of communication, formats should be different from points of sale.

**13. What is the importance of sales in exclusive stores in the business?**

**14. What is the difference between the stores in the North (Porto) and the South (Lisbon) of the country?**

**15. De how do you seek to reflect Coca Cola's image in the various points of sale? 16. De how does the brand respond to consumer expectations, that is, what innovations does it incorporate in stores to motivate a next visit?**

We have to make a difference in each store, we have to be leaders, there are also other brands of displays, but there is no longer a difference between brands, we can try to be at the forefront at points of sale, in a more impactful way.

Not everything lasts forever, and Coca Cola has to reinvent itself, we are going to introduce new flavours, we have to go after international examples, that there are already other types of Coca Colas and we must have new store formats, exhibitors and a way to reach consumers more. Never give up these important factors for the brand.



