Sustainability Development Goal as a Sustainable Business Strategy: A Case Study of Coca-Cola Company

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ABSTRACT

Contemporary business issues related to carbonated beverages are low-calorie and low-sugar carbonated beverages. This issue is related to sustainability issues: (1) through sustainable water management programs aims to ensure that everyone has access to and can sustainably manage water and sanitation (SDG 6); (2) through sustainable packaging programs to call for immediate action to combat climate change and its effects (SDG 13); (3) through sustainable beverage programs to ensures sustainable patterns of consumption and production (SDG 12); and (4) through sustainable supply chain programs to strengthens implementation methods and rekindles the global partnership for sustainable development (SDG 17). These projects reflect the company's commitment to sustainability and awareness of environmental issues. This sustainability program by the Coca-Cola Company is included in the company's business strategy at every level of the organization by involving stakeholders at every level. This unique strategy is an effort by Coca-Cola to gain brand loyalty to reduce competitive rivalry. Thus, sustainability is not only a goal but also the foundation of Coca-Cola's corporate strategy to grow sustainably in the long term.

Keywords: *Sustainable Water Management; Sustainable Packaging; Sustainable Beverages; Sustainable Supply Value Chain; Corporate Strategy.*

1. INTRODUCTION

After the Covid 19 Pandemic, the carbonated beverage industry faces problems including: (1) accelerating the process of adopting digital technology and the process of organizational transformation related to changes in human resource management (Sneader, K. and Singhal, S., 2021; Yazici, N. and Aksoy, N.C., 2022), (2) contemporary business issues related to low-calorie and low-sugar carbonated beverages (Bandy, L.K., et. al.,, 2020), and (3) issues related to sustainable development goals (cocacolaep.com., 2025). Some of the Coca-Cola Europacific Partnership's sustainable development action plans are sustainable packaging, sustainable water management, sustainable beverages and sustainable supply value chains (cocacolaep.com., 2025).

The sustainable packaging program is carried out by creating a world free of waste. Progress in Indonesia is 100% recyclable packaging by 2023. Sustainable water management program is carried out by improving water security for all. Progress in Indonesia is 241.2% of water used is returned to the environment and communities by 2023. Sustainable beverage program is carried out by providing a variety of refreshing beverage options with and without sugar. Progress in Indonesia is a 36.2% decrease in average sugar per liter in the soft drink portfolio since 2015 and a 61.9% decrease in low or no-calorie products sold. Lastly is the sustainable supply chain program through collaboration with suppliers. Progress in Indonesia until 2023 is ingredients by 7.9%, packaging by 16.2%, operations and commercial sites by 19.2%, distribution by 6.6%, and equipment by 48.1%.

Sustainable development is the ultimate goal of companies that focus on sustainability. Social and environmental protection have the same priority as financial performance (Schneider, 2014). The results of this study are supported by research by Habib et.al (2020) which shows that better operational performance in the supply chain and market outcomes are directly related to "greenest firms". Thus, the problem of this study is "How does CCEP's strategy implement sustainable development successfully?"

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2. RESEARCH METHOD

This research was conducted using the "Case Study" method. Secondary data collection using literature studies. Data analysis was carried out in depth, systematically, and comprehensively by looking for patterns, themes, and important findings in the data.

3. RESULTS AND DISCUSSIONS

The main priorities of the sustainable development goals implemented by the Coca-Cola company are: (1) to ensure that everyone has to available and can sustainably manage water and sanitation (SDG 6), (2) taking urgent action to combat climate change and its impacts (SDG 13), (3) to ensure sustainable patterns of consumption and production (SDG 12), and (4) to strengthens implementation methods and rekindles the global partnership for sustainable development (SDG 17) (coca-colacompany, 2023).

Ensuring the availability and sustainable management of water and sanitation for all (SDG 6) is carried out by the Coca-Cola company by establishing bottling partners. Coca-Cola and its partners invest in projects that promote the smooth running of river basins. This project also supports nature-based solutions such as reforestation, wetland restoration, grasslands, and irrigation system improvements. Water plays a very important role in the Coca-Cola company as a basic ingredient in beverage formulations. In addition, it is also a major component in production processes such as processing, cleaning, and wastewater treatment (The Coca-Cola Company, 2024).

The company faces significant challenges with water quality and access shortages, particularly in Turkey and Mexico. To that end, Coca-Cola is implementing water efficiency and improving the flow of watersheds at the Coca-Cola İçecek bottling plant. This effort is different from water conservation projects undertaken by Nestle and PepsiCo (Yu, 2021).

With the support of The Coca-Cola Foundation, fruit farmers are adopting effective irrigation practices, improving water quality, and using water more efficiently in agriculture. The plan supports The Coca-Cola Company’s 2030 Water Security Strategy. In addition, reforestation efforts are being carried out to filter water, regulate precipitation flow, evaporation, and install community rainwater harvesting systems. This is important for a company facing disruptions and difficulties operating globally (T.P. Babarinde, 2024).

Taking urgent action to combat climate change and its impacts (SDG 13) is carried out by the Coca-Cola Company together with stakeholders to reduce carbon emissions across its value chain. By 2022, the system has reduced emissions in Scope 1, 2, and 3 by 7%, making progress towards its science-based reduction target of 25% by 2030 (The Coca-Cola Company, 2022). By 2050, it is expected to achieve net zero emissions. This is what differentiates PepsiCo (George, 2022). Several bottling partners have announced their own science-based targets and pledged to drive climate action. Climate change will influence consumer preferences in market trends (Martins, 2022).

The Coca-Cola Company's concentrate production facility in Ballina, Ireland, was recognised by the World Economic Forum's Global Lighthouse Network as a producer exhibiting leadership in the large-scale application of Fourth Industrial Revolution technologies to promote operational, financial, and sustainability change.

The equipment and dispensing used for cold drinks account for around one-third of Coca-Cola's worldwide emissions. The business keeps swapping out outdated machinery for coolers that use less energy and don't use hydrofluorocarbons (HFCs). Compared to 61% in 2016, 88% of all new coolers will be HFC-free by 2022. In order to improve operations and lower emissions, the company is also adding more "intelligent connected" coolers that can send data like production output, maintenance status, temperature, and energy usage.

The business also released an internal guidance for coolers utilised throughout the value chain at the beginning of 2023. In addition to requiring energy efficiency improvements between now and 2030, the guide's particular energy use restrictions will also encourage the replacement of less efficient coolers.

Ensuring sustainable consumption and production patterns (SDG 12) as a form of corporate recognition of its responsibility to address the challenge of plastic waste. Coca-Cola has been considered the largest producer of plastic waste over the past decade (Shingler, 2024). Consumers are also beginning to recognize that Coca-Cola drinks are not sustainable in the food system (Amous, 2016) because the sugar comes from corn and sugar cane fields. Similarly, plastic bottles and aluminum cans rely on fossil fuels.

The Coca-Cola Company established the World Without Waste sustainable packaging platform to address these issues and promote systemic change via a circular economy, emphasising the following interconnected goals: (2) collecting and recycling a bottle or can for every bottle sold by 2030; (3) encouraging people to support a healthy, waste-free environment; (4) ensuring that at least 25% of its beverages worldwide by volume are sold in refillable/returnable glass or plastic bottles or fountain dispensers with reusable packaging by 2030; and (5) making all of its primary packaging recyclable globally by 2025 by using at least 50% recycled content in its primary packaging by 2030.

At least one brand is currently available in more than 40 markets in 100% recycled (rPET) bottles (caps and labels excluded). By the first quarter of 2022, the corporation in Japan has reached its Zero Waste target of 50% recycled material. Now, four national brands are available in 100% recycled PET and are backed by awareness-raising advertising campaigns. Eight markets in Europe currently provide their whole local product line in packaging made entirely of recycled plastic.

Sprite is still changing the colour of its plastic bottles from green to clear. This action, which the company has taken or is taking in over 100 nations, boosts the availability of recycled plastic that is safe for food and the effectiveness of recycling systems.

The Coca-Cola Company is also introducing smaller drink sizes to help control portion sizes and sugar intake. By proactively addressing consumer concerns about sugar consumption and environmental impact, Coca-Cola is able to differentiate itself from competitors and appeal to environmentally conscious consumers. Sustainability programs are integrated into Coca-Cola’s business strategy and align with the company’s sugar reduction goals.

Strengthening the means of implementation and revitalizing the global partnership for sustainable development (SDG 17) through cross-sector partnerships with a focus on ethical standards, especially when selecting suppliers (Naama Alteneiji, 2019). Collaborating with leading organizations and coalitions including the World Wildlife Fund (WWF), the Coca-Cola Company is working to support the UN Plastics Treaty. In areas like water refilling, carbon reduction, and environmentally friendly packaging, the Coca-Cola System is having an impact.

The business created a $137.7 million venture capital fund for sustainability investments in July, along with eight bottling partners. The Coca-Cola System Sustainability Fund will be managed by Greycroft, an early- to growth-stage venture capital firm, with an emphasis on five main areas: supply chain, distribution, decarbonising facilities, packaging, and heating and cooling. The fund will make investments in non-commercialization businesses.

Coca-Cola is also collaborating with stakeholders. With farmers to install rainwater harvesting systems. With NGOs to invest in forest protection projects, improving watershed health, and building community water resilience. In doing so, they open up opportunities for new markets, expanding market reach, and business prospects for Coca-Cola.

3.1. Coca-Cola Sustainability Integration: Strategic Perspective

These projects reflect the company's commitment to sustainability and awareness of environmental issues. This makes Coca-Cola different from its competitors. In addition, it also attracts consumers and investors who prioritize sustainability in their purchasing and investment decisions.

Coca-Cola's corporate strategy is related to the level of sustainability by implementing it at every level of the organization. Starting from planning, procurement, marketing, and waste management. Coca-Cola also seeks to involve stakeholders at every level. Starting from local farmers, associations, and global investors. This unique strategy is Coca-Cola's effort to gain brand loyalty to reduce competitive rivalry. This unique innovation makes Coca-Cola's flagship products known for their diversification, namely Diet Coke, Coke Zero, and Coke Stevia.

The way Coca-Cola integrates sustainability is from a long-term value creation perspective. The goal is to secure future success by ensuring its supply chain is sustainable. Thus, sustainability is not only a goal but the foundation of Coca-Cola's corporate strategy to grow sustainably in the long term.

4. CONCLUSION

Sustainability development issues have become global business issues. Companies should start incorporating sustainability issues into their business strategies. The success of this achievement requires support from various stakeholders ranging from local farmers, associations, suppliers, NGOs, and global investors. This strategy will be successful when implemented as a key performance indicator at every business level in the organization.

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