

Cover Story: Jon Woods, General Manager, Coca-Cola GB

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Coca-Cola is on a fast-track to becoming a 'total beverage company'. Jon Woods is its man behind the wheel, writes Eamonn Duff



Jon Woods

If someone had told the teenage Jon Woods that one day, he'd be launching innovative new drinks for Coca-Cola, he would have found it hard to fathom. For entirely different reasons, the world's largest beverage company might have struggled with the concept too.

After a century of being universally defined by a sweet, syrupy-brown soda, Coca-Cola has been forced to look beyond its flagship brand, take risks and diversify. And Woods, who once seemed destined to follow in his father's footsteps and become a banker, today finds himself leading the global drinks giant into that brave new world.

"I've had some amazing times running this business," said Woods who is approaching his 10th year as Coca-Cola's UK boss. "It's been a period full of challenges but that's kind of what makes it so much fun. The one thing that's never changed is that consumers really like the category. They really like soft drinks. And a big chunk of consumers love Coke."

It took Coca-Cola nearly 100 years to branch out with its first product extension. By contrast, Woods has just overseen three major launches in as many months: in late March, he announced the release of the first energy drink under the Coke brand. As the dust was still settling from that unveiling, he confirmed the company would be extending its presence in the UK functional drinks market with Aquarius, a non-carbonated, mineral water brand. And in May, the company marched, rather boldly, into the British alcohol market with a range of premium mixers that are designed to complement high end dark spirits.



Coca-Cola Signature Mixers

"In the UK, the business has been very focussed on Coca-Cola for a long time," said Woods during an interview with *FMCG CEO*, adding: "It's the name above the door, the brand this company is built upon. But increasingly consumers are looking for a greater variety. They're looking for drinks that meet different occasions, different parts of the day. And Coke can fill quite a number of those occasions. But it can't fill them all. That's why this portfolio expansion is so important to us."

When Woods walked into Loughborough University in the late eighties to embark on a degree in banking and finance, a career in fizzy drinks could not have been further from his mind. “I actually worked for a bank the year before I went to university and was also sponsored at university by a bank,” he revealed. “To be fair, by the time I was doing the degree, I’d changed my mind and just knew that life wasn’t for me.”

After leaving university, he “struck lucky” with a sales and marketing opportunity at Cadbury – and the rest is history. The Belfast born father of two enjoyed a five year spell as a business development director at Abn InBev and then arrived at Coca-Cola in 2005, taking charge of its UK and Ireland operations in 2010.

“Diet Coke remains one of the most important brands in our UK portfolio”

Reflecting on those early career days, he said: “The cultural fit has always been very important but in addition to that, I’ve always loved to consume the products I’ve been involved with. Chocolate, beer and then soft drinks...these are such great products and Coke is truly an amazing business to be part of.”

But as Woods openly acknowledged, the soft drinks game has been no easy ride, particularly over the past decade. He passionately battled against the sugar tax on soft drinks which was introduced last year, a tariff that saw the company accelerate its zero-sugar business with products like Coca-Cola Zero Sugar Vanilla and Coca-Cola Zero Sugar Cherry.

“I did campaign against it because we have never believed, as a business, that the way to fix obesity is to tax a single source of a single nutrient – especially as the industry, led by Coke, even before the tax, was doing so much to take sugar out of its products,” he said.



Coca-Cola Energy

Woods points to the launch of Diet Coke, more than 35 years ago – when people first began thinking about weight. “It was the eighties, it was about Jane Fonda workouts, it was about calorie counting. And we launched Diet Coke at that time, in that environment, because already it was clear there was a section of consumers who were genuinely focussed on lower sugar variants.” He added: “Diet Coke remains one of the most important brands in our UK portfolio. Just over 60 percent of the cola we now sell in the UK doesn’t contain any sugar at all.”

Woods said Coke’s UK business had increased since the tax was introduced while soft drinks in general, was currently growing by five percent a year. “Not many categories are doing that,” he remarked.

Having now accepted the tax as “a fact of life”, Woods said the company would continue its commitment to assist consumers “effectively into lighter options”. However, if one thing’s definitely off the table, it’s tinkering with the recipe of the ‘Real Thing’.

“Consumers said to us very clearly ‘we can make our own minds up...we don’t want you to change it’. And, of course, we have one experience of doing that a long time ago in the States. As everyone knows, it didn’t work out well.”

In the months ahead, Woods will continue to execute the company's growth strategy which, presented by CEO James Quincey in 2017, involves bringing to market "consumer-centric" brands – including more low – and no-sugar options, and drink products in emerging categories. This policy shift has also seen Coca-Cola embrace an unfamiliar "tech company modus operandi" of "moving faster" and stepping out of its comfort zone into new territory.



Coca-Cola

Aquarius

Coca-Cola Energy is a prime example of that new philosophy. The energy drink, a combination of caffeine, guarana extracts and B vitamins, is aimed at 18 to 35-year-olds and positions the brand in direct battle with market leaders Red Bull. The new Signature Mixers that will appear in pubs, bars and restaurants from June, have also raised a few eyebrows. "This is a very interesting launch for us," said Woods. "Mixing has always been a big part of the soft drinks business and some people probably overlook the fact that Coke original has always been one of the biggest mixers in the UK. "This is the first time we've actually taken the recipe of Coke classic and tweaked it to make it even better with a defined group of spirits."

The initial release of dark spirit mixers spans four flavours: Smoky, Spicy, Herbal and Woody. "I'm a Jack Daniels drinker and I really like the smoky mixer," said Woods.

"They're very exciting."

"A year working in branch banking...I certainly didn't get up every day and look forward to getting into work," he recalled. "I've been doing the job I do now for quite a few years and genuinely, there is never a day when I don't do something that I really enjoy. And...if I didn't enjoy it, I'd find something else to do."