

Quixotic Save Tab Group Now Focused on Bottlers. Some Interested

Coca-Cola Appears Content to Focus on Coke Zero, Creations

June 20, 2023

In the two and a half years since Coca-Cola discontinued Tab, a consumer group calling itself the SaveTabSoda Committee has been lobbying Coke executives to bring back the 60-year-old diet soft drink now available only on fountains at a handful of Coca-Cola museum stores. The committee has organized telephone, letter, and social media campaigns. Members spurred media stories. And the die-hard fans bought billboard space near Coke headquarters in Atlanta. Despite their tenacity, one thing the non-profit group hasn't done is budge Coca-Cola on the idea of a Tab return. As fans' precious stockpiles of pink cans dwindle or run dry, committee members recently turned the focus to Coca-Cola bottlers, asking them to take advantage of pent up demand for Tab by those who miss the soda. Some bottlers are interested, they told BD privately, saying e-commerce could be a sensible solution. The discussion raises interesting questions about whether the US Coca-Cola system would be wise to foster a mechanism to segment products regionally, to take advantage of possible opportunities such as Tab or other discontinued products like Honest Tea. And to what extent would that distract from a focus on national uniformity when driving revenue growth management strategies. While some bottlers seemed intrigued by a limited return of TAB, none expressed optimism that Coke would stage a return, nor did the bottlers report any meaningful discussions underway. A Coca-Cola spokesman declined to comment.



'EXTREMELY DEDICATED CONSUMERS.'

Coca-Cola launched Tab in 1963 as the company's first diet soft drink. The drink was sweetened with cyclamate, which the FDA later banned. Coke changed to saccharin and then tried NutraSweet (aspartame) in the 1980s before reversing course when consumers rebelled against the new flavor.

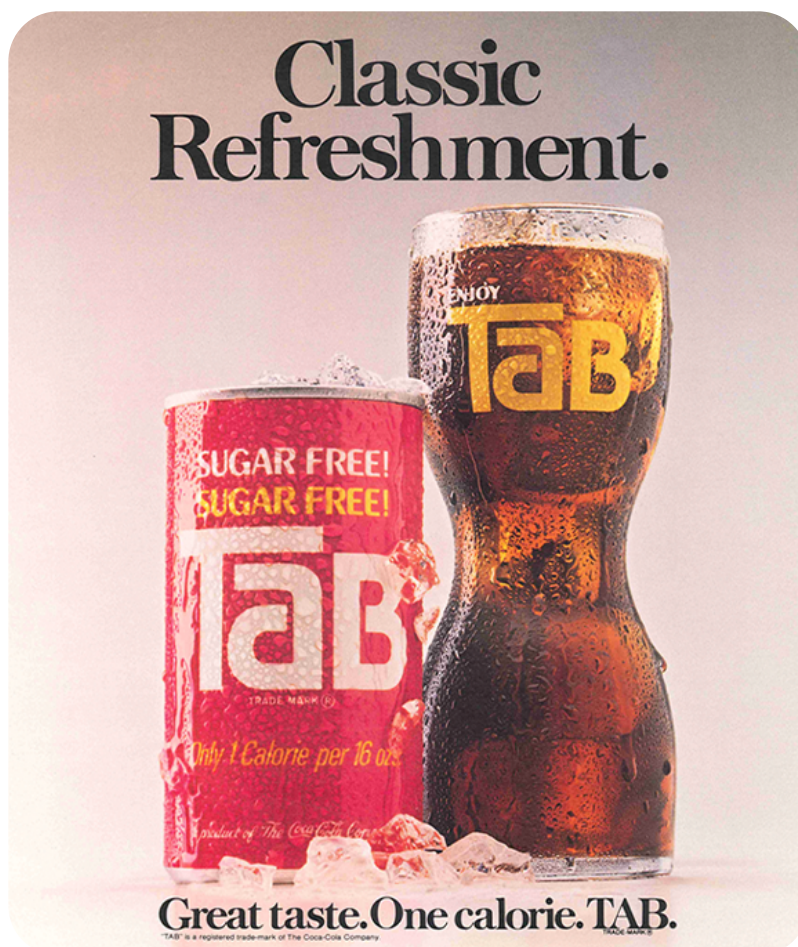
In 1982, the company launched Diet Coke and Tab steadily lost market share as investment was focused on the newcomer. In 2020, Coke discontinued Tab as part of an initiative under Chairman and CEO James Quincey to cut about 200 “zombie” brands globally. Quincey argued that the brands, which together accounted for less than 2% of company revenue, stole resources and focus away from bigger revenue and profit opportunities, such as Coca-Cola Zero Sugar (sweetened with aspartame and acesulfame potassium). The Tab announcement spurred online petitions and the creation of the SaveTabSoda Committee, whose organizers describe themselves as “extremely dedicated consumers on a mission to save our soda.” And they haven’t given up. In an interview, one of the leaders, Adam Burbach, called Tab an “American Classic,” adding, “Tab drinkers view it as so much more than a soda—it’s a part of their lives and they’ll do extraordinary things to be able to enjoy TaB once again.” The organization notes that more than 11,000 consumers have signed petitions to bring back Tab and claims that more than 4,000 people have joined six Facebook groups dedicated to the effort. Most recently, the committee conducted a non-scientific social media survey of more than 400 people. The results were sent to various bottlers. Thirty-seven percent of respondents said they’d buy as much product as they could get if Tab was brought back. A similar percentage of respondents said they would buy 10 to 50 12-packs. Almost 80% of respondents said they no longer purchase Coke products, while about almost half said they would pay a premium of more than 20% for Tab if it was made available.

BOTTLERS.

Bottling system sources say Coca-Cola hasn’t been open to bringing back the product even regionally. One bottler said time and resources are better spent on Coke Zero Sugar, adding that the brand is growing with a broader set of consumers. Others say they would be interested in carrying the product selectively and suggested e-commerce would be a worthwhile solution to reach the brand’s loyal consumer base.

Several said Coke could produce the product in a single plant, or perhaps two on opposite coasts, and compensate bottlers for sales into their territories, as already happens with online sales. The drink would then be sold at a premium, one said. The concern for Coca-Cola as a franchisor, according

to one source, is that offering the product to one bottler means offering it to all, and Coke may believe some bottlers should avoid the distraction. Zooming out, Tab points to an important strategic



question and possible opportunity for the Coke system, according to a couple of system sources: Can Coke and its bottlers solve for the added complexity of handling products with regional appeal in a fragmented marketplace without throwing the baby out with the bath water?



SURGE PRECEDENT.

There is precedent for a return of a discontinued product like Tab. Intense Facebook lobbying by fans a decade ago led Coca-Cola in 2014 to bring back the 1990's-era Mountain Dew citrus soda challenger Surge, which Coca-Cola had discontinued in 2001. The drink sold out on Amazon. The product appears to have been available on Amazon in four-packs of 16-oz cans as recently as 2021 — for about \$14, or \$3.50 per can. Rather than

bring back small, nostalgic brands, Coca-Cola executives have focused instead on the Coke Creations program launched last year. The Creations platform brings amorphous cola flavors to market for a limited time that are linked to cultural touchstones ranging from an electronic dance music to video games. This month, the company launched Coca-Cola Ultimate, which promises an “+XP” flavor representing the “experiential points” players earn within the popular video game League of Legends.