

# [Analysis of the brand pepsico by describing its brand hierarchy and brand portfol...](https://assignbuster.com/analysis-of-the-brand-pepsico-by-describing-its-brand-hierarchy-and-brand-portfolio/)

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## Introduction

The purpose of this DA report is to analyze the brand PepsiCo by describing its brand hierarchy and brand portfolio and how it has worked to support new products and brand extensions.

### The parts that will be focused are:

Description

Brand Portfolio

PepsiCo has accomplished a complete portfolio within food and beverage classifications. Each of the two classifications are equally solid and each account for almost 50% of the revenue. It has a diverse portfolio and the main advantage of it is the complementary relationship that exists among the items and the feeling of “ related diversity” that enables PepsiCo’s food and beverages that can be consumed anytime. The portfolio comprises of 22 brands including driving family brands, for example, Frito-Lay snack foods (providing snacks all over the world), Gatorade’s line of sports drinks (providing sports nutrition drinks), Quaker meal and snack products (providing healthy foods), and Tropicana fruit juices. PepsiCo has strategically entered complementary classifications through acquiring brands that offer similar customers and can be bought on any event. The Pepsi brand individually comprises of eight distinct flavors, going from caffeine free, diet, reduced sugar and so on.

## Brand Hierarchy

PepsiCo incorporates various individual sub brands that can be trusted. Likewise, PepsiCo offers items through joint endeavors with Starbucks and Uni-liver. PepsiCo has additionally acquired licensing agreements with select items including Dr Pepper Snapple Group, Inc. (DPSG), Ocean Spray Cranberries, Inc. (Ocean Spray), and Dole Food Company, Inc. (Dole). Moreover, Pepsi’s own line of soft drinks incorporates a wide selection of choices to suit diverse customer tastes. PepsiCo has various cola flavors., Pepsi, Pepsi max, Diet Pepsi, cherry Pepsi, Diet cherry Pepsi, and other limited-edition flavors.

Pepsi’s present essential brands meet up to offer one of a kind and reviving colas that interest to diverse group of people. In addition, Pepsi’s expanded its sub-brand portfolio that incorporates a variety of drinks including Mountain Dew, Gatorade, Sierra Mist, Aquafina, Tropicana Pure Premium, AMP Energy, Propel, Mug, SoBe, IZZE, and Naked Juice (PepsiCo, n. d. b). The greater part of Pepsi’s brands considers distinctive market sections and hardly take away each other’s sales.

## Brand Extension

The Pepsi Brand presently profits by eight brand augmentations that enable them to catch a bigger piece of the pie, i. e., larger market share; Pepsi, Caffeine Free, Diet Pepsi, Caffeine Free Diet Pepsi, Pepsi Lime, Pepsi Max, Pepsi Next and Diet Pepsi Lime. Pepsi’s line of augmentations acquired PepsiCo’s salient, positively evaluated and relevant associations, in this manner encouraging fruitful expansion. Likewise, minimal difference exists between the brand extensions and the center item, Pepsi cola, which helps in general quality associations and tendency to purchase.

Recently, WWD detailed about Pepsi’s new Live for Now apparel and accessories capsule collection initiating at Bloomingdales for Father’s Day. Enrolling fashion and technology brands like Del Toro, original penguin, and Bang and Olufsen to make goods for the new line, the 60-piece collection will start on May 21 at select Bloomingdale’s areas upheld with committed window displays and furthermore accessible at Bloomingdales. com. The line includes various categories like men’s weave tops, swimwear, leather footwear, and skateboards all motivated by Pepsi’s brand assets.

PepsiCo has effectively fabricated a solid online presence with the utilization of internet-based life systems, for example, Facebook, Twitter, Google, Instagram, Pinterest and numerous other online stages. Their essential Facebook page, PepsiCo, contains current updates for their center network and supports client commitment. Also, every individual brand profit by its own Facebook page, Twitter account and so forth., which inside and out complement PepsiCo’s general online activity. The Pepsi brand is known for utilizing online networking advertising to acquire significant knowledge about its customers. The Pepsi division is best perceived for The Pepsi Challenge and The New Pepsi Challenge, and in general has adequately adjusted to a quickly changing media environment. For a long time, Pepsi has used aggressive strategies in its marketing projects to additionally increase awareness and acknowledgment of the famous brand. It has tried various platforms including print and digital media, social media, philanthropic activities, athletic and event sponsorship, grassroots marketing as well as product sampling and super bowl commercials to promote its new product introductions and brand extensions.

PepsiCo has taken a house of brands approach as well as branded house approach, as the organization name matches with one of the product and as time passes the company expand its portfolio to incorporate different items, for example, Pepsi, Diet Pepsi, Caffeine free Diet Pepsi, Wild cherry Pepsi, Pepsi Lime, Quaker oats, Tropicana, Frito-Lay etc. Pepsi-Co, like Coca-Cola, is most exceptional for its essential and well know item, Pepsi, however has extended its item contributions. Pepsi moved past soft drinks and into snacks. Each of Pepsi’s numerous items has a well-defined sub-brand.

Throughout the years, the Pepsi logo has adjusted its picture and additionally its logo to help in product consumption. To stay contemporary and pertinent to purchasers, Pepsi has held onto change as apparent in its different logo frames. The following is the development of the Pepsi logo which has demonstrated its capacity to adjust after some time.

## Analysis

### Brand vision

Keller, page 358 The brand’s vision statement “ to deliver top-tier financial performance over the long term by integrating sustainability into our business strategy, leaving a positive imprint on society and the environment.” It believes in top financial performance, sustainability and corporate social responsibility. PepsiCo is the leading beverage brand after Coca-Cola, satisfying shoppers by meeting their regular drink needs, and partners, by conveying execution with purpose, through skilled individuals. They do this to some degree by offering an extensive variety of items; expanding the quantity of nutritious nourishments and refreshments; lessening environmental effects; and supporting employees and communities where they work together; all of which will help position the organization for long term sustainable development.

### Brand boundaries

Keller, page 360 PepsiCo stretched its boundaries beyond beverage drinks to snacks and healthy foods (mentioned above). PepsiCo has payed attention to the changing needs of customers (for instance, to stay healthy) and therefore come up with many products besides its primary product, Pepsi. Also, Pepsi and its other products come in various sizes so that it can be easily purchased at an affordable cost to consumers. Its low-price strategy made the brand grew massively.

### Brand positioning

Points of parity and points of difference Its is the second biggest beverage company after Coca-Cola. POP- It has refined brand history, modern brand image.

POD- it is sweet in taste, has citrus undertones, unlike coke-cola which comparatively do not have a sweet taste and has acid undertones. It’s brand portfolio is iconic and relevant, relates best with adventure and fun. The POPs and PODs make PepsiCo different from its competitors, which enables the brand to have a market share of 27. 7% after coke-cola which has 42. 4%. The fundamental focal point of Pepsi’s promoting during development was to separate the brand. This has been basically accomplished using superstar supports – like Beyoncé and Michael Jackson – to position the item as a more youthful and edgier other than Coca-Cola

Social Responsibility It has involved in NGOs and various other projects that need funding and support. Took part in saving water by recharging, replenishing and reusing water.

## Conclusion

Regardless of consumer growing interest in healthier ways of life, Pepsi hint at no backing off in the quick future. Cost-diminishment can be key at this phase to enable the brand to stay profitable even with fewer sales. The price could be diminished further to expand deals among price sensitive purchasers. The brands can presently concentrate on simply the products that produce greater profits.

It can be advised that PepsiCo could go to the extent where it can cut off some advertising and promotion to additionally decrease overheads. The key focuses to recall are that marketing strategies should be kept ready for implementation, before the item enters each period of the product life cycle, generally openings are missed, and the brand ends up receptive to change.