

Analysis and comparison of diet coke and diet pepsi



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Summary Abstract

The complete quality discussion of two organizations products are going to be discussed here. The products are diet-coke and diet Pepsi of soft drinks. The Diet Pepsi versus Diet Coke argues has been increasing in now days. The people are looking easiest way to fewer calories in their diet and fight against obesity in a meaningful way; the world largest soda companies are changing their diet brands. Iam going to give a report of coke and Pepsi company quality systems.

Introduction of the Organization

Coke-diet

' Diet coca-cola ' and ' Coca-cola ' light also' Coke light is the other names of Diet Coke. This is a soft drink with sugar-free and introduced by the Coca cola Company which is located in United States of America. Diet Coke introduced on 9th of August, 1982 in the United States of America. Diet Coke contains some saccharin to extend shelf life.

History of Diet-Coke

- 1982-Diet Coke-largest selling low calorie
- 1986-Diet cherry- American markets
- 1992-Diet Coke 10th anniversary
- 1997-Diet Coke changes its logo
- 2001-Diet Coke -lemon
- 2002-Diet Vanilla Coke
- 2004-Diet coke with lime
- 2005-Diet Coke with sweet splendid

- 2006-Diet Coke Black Cherry Vanilla
- 2007-Diet Coke Plus

The slogan of Diet Coke

‘ Love it light’

Debate on Diet Coke

Diet Coke distributed commonly with aspartame which has been noted as a toxic material by internet rumours and sensational media coverage. Finally aspartame is the best intensively scrutinized food actions . American medical association has been deemed it as well as World Health Organization.

Quality systems of Coke Diet

Coke has advanced plant control system and it was developed by Sumitomo metals. It is mainly constructed by two main control functions. That is, coal blending ration control system to accomplish target coke quality under the planned operating circumstances.

Another one is coke oven temperature control system to achieve the target pushing-out coke temperature under the charged blended coal and coking time. The Diet Coke Quality is being controlled by the goal programming method and by using a theoretical coking model and an online coal dilatation sensor.

Temperature of coke is being controlled by a heat transfer model in the coke chamber and a world class regulator based on an autoregressive model.

Bottling of coke

The strong bottling system developed that coca-cola company became the world-wide familiar brand it is today Market. Technology led to world economy, the seller who sold coke merged and evolved into global mega chains.

So that like customer required a new approach. Result of that, coca cola introduced small and medium sized bottlers consolidated to better serve giant global customers. Coca cola Company encouraged and invested in many of bottler consolidations to assure that is largest bottling partners would have ability to lead the system in running with world retailers.

Marketing Channel of Diet Coke

The coca cola company has three primary delivery systems for its business channels,

Huge delivery for the channels of big supermarkets and mass merchandisers and club stores

Advanced sale delivery – convenience stores and Drug stores and small supermarkets and on-premise fountain accounts.

Coke-diet Supply Chain

Coca cola company produces the concentrates' and bottling partners manufacture and packaging as well distribute the product, coca cola suppliers used the include sugar , citrus and coffee and kind of flavours', water (2008, coca cola).

The ingredients' for concentrate syrups are provided by the suppliers' of those companies.

The Coca Cola Company changed their supply chain system in 2004 to increase greater efficiencies (2004 Foley). The coca cola company had to spent the better part of a year gathering three business units in North America to create another more efficient integrated unit and which is streamlined information technology , obtainment process and supply chain actions (2004 Foley).

Coca Cola Company had to change in 2006 when it was beginning deliver it products to Wal- mart Warehouses for the following complaints form wal mart those bottlers were not keeping those shelves stocked (2006-supplychannier. com).

The coca cola company had to change their 100 year old operational approaches (2006-supplychannier. com).

The world biggest singer bottler is coca cola Company in which the coke company have owned a 35% share.

Coca cola Enterprises

Coca Cola Company has achieved the first service delivery team to the coca cola quality system and ISO 9001: 2001 (TCCQS).

The globally recognised registrars have checked of ISO9001: 2000 Of Coca cola TCCQS adopted the ISO policies and extended the well-structured core

with their own specific business requirements. The continual act of improvement to offer high quality service to consumers' customers.

Implication Needed

The Complete management system required to enhance scope apart from manufacturing to frame closer running relationships with service providing functions and carry the coca cola company philosophy of whole customer refreshment and constant improvement.

It needs a modernized, global structure reaching very quick implementation straightened to world standard.

Quality Assurance of Coke

To satisfy the world thirst, Coca Cola Company is making people enjoy 1.6 billion supplying of our beverages. Coca Cola Company has a greater responsibility to every one of those people as well support life increasing experiences.

Coke Company rule main product and cover quality attributes' to make sure their beverage items in the marketplace confirmed company needs and consumer expectations.

Coke products of consistency and reliability are being urgently important for its products to meet world regulatory needs and company standards.

TCCMS for Coke

The coca cola management system ensures (TCCMS) the coke's consistency and reliability and coca cola company system. The quality management

system is integrated module, which sticks all of company operations system wide to the constant standards for manufacturing and distributing of coca cola beverages.

TCCMS guides coke's products safety and quality by merging and aligning business and quality targets with constant metrics to control performance

Strength of Coke-Diet

- Coke has internationally recognition
- Coke has strong brand name
- Coke has effective advertisement
- Coke has categorical taste

Weakness of Coke

- Coke has health issues
- Coke can not stop certain gender by using it.
- Coke has not individuality.

Revenues of Coke:

- The coca cola enterprises have earned \$21. 65billion with net income of \$173 million in 2009 and in the quarter of 2010 Coke Company have earned \$5. 88 billion.

Recommendations

I would like to add few recommendations for Coca Cola Company and its industry. They are:

- Coke should stimulate healthcare and should ensure their products will not give any health problems to the consumers.

- Coke should improve the products what they have doing now so it will make satisfaction to their buyer.
- Coke should try to find ways for decreasing its prices without having cost problems.
- Coke must try to give new products that do not involve in beverages so it will increase its revenues.

Pepsi-Diet

Pepsi-Diet is a carbonated cola with fewer calories and introduced to the world in 1964 as variety of Pepsi drinks with free sugar. The current formula of Pepsi diet is artificial sweeteners aspartame. Pepsi is also known as Pepsi Light. It contains caffeine with amount of 35mg/12 fl oz.

Different Flavours of Pepsi-Diet

Wild cherry

- Vanilla
- Lemon
- Lime

The Slogan of Pepsi-Diet

Light . Crisp. Refreshing

Organizations and Background

Pepsi produces major carbonated soft drinks and beverages also snack foods. Pepsi Cola Company is the division of beverage. It makes markets and bottles of famous brands of soft drinks in USA and worldwide. Pepsi also produces Aquafina bottled water also sport athletic drinks.

Operations Quality in Pepsi Company

Many of the sales are done the company's own straight line store distribution (DSD) systems, where they genuinely take the products to stores and place them on the shelf. These systems catch up hundreds of thousands of outlets, from the very small liquor stores to the powerful club store. The DSD systems supply the company the power to merchandise its products for maximum interest to consumers.

Pepsi company is adjoin new platforms for growth, which strong the company's portfolio and increase its key important innovation potentiality

For instance, January 2001 the company received most of the South Beach Beverage Company, whose So be line of drinks counts to the Pepsi-Cola portfolio some of the speed-growing brands in the fastest-growing segment of the industry, non-carbonated beverages.

From another instance, is the aimed merger with the Quaker Oats Company, which is anticipate completing in the second quarter of 2001. This is without question the important step to make sure the bright future of growth for PepsiCo.

The merger will form PepsiCo an even more talent competitor in the extending market for useful foods and beverages. It adds two very famous brands to its portfolio, Gatorade and Quaker, and makes new chances for each PepsiCo division. The joined enterprise will align among the world's five biggest consumer product companies.

Pepsi Company has got \$383 million worth of goods and services from youth-owned and women-owned suppliers in the year of 2000.

The Women's Business Enterprise National Council called the company among America's Top Corporations for Women's Business Enterprise. Pepsi company young and women business improvement programs were ranked among the top-10 nationally by the National Minority Supplier Development Council.

The company give supports conservation, recycling and energy utilize programs that advance clean air and water and reduce landfill.

In 2009, the Occupational Health and Safety Administration named two more Pepsi Company facilities to its top STAR status as part of the agencies Voluntary Protection Program.

Distribution Channel of Pepsi-Diet

Strengths of Pepsi-Diet

- Pepsi has extensive product line and superior reputation.
- Collaboration of Quaker Oats produced coactions across the board.
- Pepsi Record revenues and increasing market share.
- Lack of capital forces (chance of large free cash flow).
- Great brands, strong distribution, innovative capabilities
- Number one maker of snacks, such as corn chips and potato chips
- Pepsi sells three products through the same distribution channel.

For ex : Joining the production capabilities of Pepsi, Gatorade and Tropicana is a great opportunity to less costs, improve efficiency and smooth out the effect of seasonal variance in demand for particular product

Failure of Pepsi -Diet

- Pepsi oppose to attract vision and direction for the global company.
- Pepsi is considerably away from leader Coca-cola in the global market
 - demand is highly bouncy.
- Coke-Diet is the best competitor

Fear of Pepsi-Diet

- Food Beverage department industry is mature.
- Pepsi is accused for pesticide residues in their products in one of their most possibility emerging market (India).
- Pepsi has competition with Cadbury Schweppes, Coca-Cola, and Kraft foods due to the broader product line, which are well-run and financially key competitors.
- Pepsi is a big company so which leads to demand various marketing programs.

Achievements of Pepsi

- Pepsi Company bounces back its “ Pepsi Challenge” advertising attack.
- Challenge includes Pepsi Diet and Diet Coke also regular cola.
- Pepsi associated with yahoo Inc., the world largest web navigation company, in a multimedia marketing campaign target at teens and young adults.

- Tropicana, in a joint shared gamble with Galaxy Foods Co., bring forward an icy smoothie soy milk-and-fruit drink, made with juice, fruit puree along with soymilk and soy protein.
- Pepsi made water bottle branded with aquafina became the best-selling brand of single-serve bottled Water in US retail channels

Timeline of achievements:

- Pepsi Company established Dole single-serve juices in vending machines, coolers and other retail outlets throughout the United States of America in the year 2000.
- Pepsi introduced the brave new Mountain Dew Code Red nationwide in United States in year of 2001.
- Pepsi Company launched Pepsi-twist in the year 2001 which led to enter diet version of coke in the USA markets.
- Pepsi introduced in Italy as orange brand caller Miranda.
- Pepsi created Marathon Kids, a television program that encourages kids and their families to be more physically active and it got huge success in world wide (2002).
- Pepsi Company introduces Sierra Mist nationally 2(003)
- PepsiCo introduces “ Get Active/Stay Active” program (2003)
- Quaker Chewy launched Quaker Chewy Wholesome Favourites and Quaker Chewy Trail Mix. (2003)
- Pepsi signed an exclusive four-year sponsorship deal with the Canadian Hockey Association made Pepsi the official soft drink (2003)
- Pepsi announced four-year sponsorship bond with the UK Football Association (2003).

- In 2004 Pepsi trademark turned 100 years old.
- In 2004 Pepsi Vanilla is launched in the United States.
- In 2004- Frito-Lay Introduced Doritos Black Pepper Jack
- Pepsi introduced Pepsi Edge, the first full-flavoured cola with 50% less sugar, carbohydrates and calories than regular cola.
- In 2005 -PepsiCo Celebrates 40th Anniversary.
- In 2005 PepsiCo introduced Quaker Milk Chillers.
- In 2005 Tropicana introduced All Fruit Smoothies.
- In 2005 Frito-Lay Launches Quaker Oats in India.
- In 2005 Pepsi Foods Introduced Weight Control Instant Oatmeal.
- In 2005Pepsi Lime and Diet Pepsi Lime Lanced.
- In 2005 Tropicana Twister Soda introduced in April
- In 2005 PepsiCo international and Lipton came into agreement and introduced new
- Lipton Original Iced Tea and New Lipton Iced Tea.
- In 2005 Tropicana Fruit Wise Campaign introduced.
- PepsiCo Health & Wellness Launches Everyday Smart Moves Magazine.
- In 2005 Pepsi Celebrated 20th Consecutive Super Bowl With New Diet Pepsi Campaign
- In 2006 Pepsi introduced Pepsi lemon in Peru
- In 2007 Pepsi made Fortune magazine's ' 100 Best MBA Employers' list.
- In 2007, Pepsi won two awards which was Best Environmental /Wildlife Campaign and Best
- Cause Marketing Event at Fifth Annual Cause Marketing Halo Awards.

Revenues of Pepsi:

In the year of 2009, Pepsi have earned \$13. 3 billion and it was increased of 4. 7% form 2008 and in quarter of 2010, Pepsi have earned \$9. 4 billion.

Comparison of Pepsi and Coke:

Comparison

COKE

PEPSI

Taste

Original cola

Little different with coke

carbonation

more

less

Marketing approach

Coke side of life

Hot stuff

Advertisings Models

Christina Aguilera

Britney Spears

Key revenues

Carbonated drinks

Non carbonated drinks

World wide share

high

low

Global foot print

high

low

Diversified product offering

high

low

Quarterly Earnings

\$5. 88 billion

\$9. 4 billion

Product delivery

Service delivery

Performance

Friendly service with customer

Features

Speed

Reliability

Accuracy of information

Conformance

Technical knowledge

Durability

Quality of customer service

Serviceability

Control and access over dealings with staff

Safety

Flexible

Recommendation to act

Innovation and changes and competitions

There are 6 steps to analyze the quality of an organization and improvement,

Identify the product you create the service

Identify the customers for our product

Identify strategic target

Describe the process for offering service

Error -proof the process and delete waste

Make sure continuous improvement by calculating, researching and controlling the improvement process.

To measure the quality operations, Management must need to set and monitor company targets for continuous improving the process of operation.

Identify the following things to measure quality operations,

Customer paying for the product

Shareholders in the company giving the service

Employees working to make the service

Suppliers providing the materials to produce the service

Benchmarking Analysis

Planning - determine and indentify critical factor as well critical advantages

Analysis - know the best practices within the company

Response- identify performance measures, current capacity and goals

Monitor-construct understanding process of company at all level

Improve-review and adjust benchmark

Indication of assignment

I have noticed from above assignment research past many years coke company stock significantly surpassed Pepsi. Really from 2005 coke's stock price was 35% gain while Pepsi was 3% gain. If you consider dividend payments, coke had to deliver a 52% return to investors and Pepsi was 13%.

In this decade, most of them on Wall Street believe that the situation is now turning in supporting of Pepsi. Coke's market cap is now 33% greater than Pepsi's (eDividendStocks. com).

Pepsi now gives over 40% more incomes than coke and coke and Pepsi both offering same dividend gains of 3%.

Coke trades at 16* unity 2010 earnings calculation and Pepsi company shares less than 15* 2010 eps unities. As long as both coke and Pepsi continue to benefit from resumption in consumer spending, it shows that coke and Pepsi has very good fundamentals.

Conclusion

Based on above research, Pepsi surpassed coke with more diversified operational managements systems and Pepsi does better growth potential and more attractive valuation. Coke should stimulate healthcare and should ensure their products will not give any health problems to the consumers and Pepsi should find ways to less price of its product by their effective operations. Operation management of Pepsi company is very effective than coke so that Pepsi Diet sells in market very well. Coca Cola Company should

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review their distribution channel in emerging countries by doing that they can make more revenues.