

Pepsi: business details, marketing strategies and analysis pepsico, inc.

[Business](#), [Company](#)



Company information:

Company namePepsiCo

SectorBeverages, Foodprocessing

Founded28. 08. 1898 (New Bern, North California, US)

FounderCaleb Bradham

IPO dateThursday, 18. 12. 1919

LocationPurshase, New York, US

Fundamentals and financials:

Revenue\$63. 3 billion

Employees264000

Revenue/employee\$239800

Net income\$6. 816 billion

Shares outstanding1. 426 billion

Annual earnings/share\$4. 75

P/E ratio23. 91

Company management: Indra Nooyi (Chairperson and Chief Executive Officer)

PepsiCo, Inc.

What seems to be the chief competitor of Coca-Cola is arguably the largest soft beverage and food production company that serves consumers in 200 countries over the world.

PepsiCo owns many trademarks and produces a broad lineup of goods:

Pepsi-Cola, Mirinda, Mountain Dew, Gatorade, Lay's, Cheetos, Quaker's Foods, and countless others.

Pepsi-Cola Company was founded in 1902, but in its current form, PepsiCo was established in 1965, when a merger of Frito-Lay and Pepsi-Cola Company occurred.

Learn more about the corporation below.

- PepsiCo
- Pepsi Company of Oman
- Porters Five Forces – Pepsi
- Cola Wars Continue: Coke Vs Pepsi in 2006
- Pepsico
- Coke and Pepsi
- PepsiCo Corporation and its range of products

Financial Data

The revenue mix is split between two types of products: food and beverages. Surprisingly, even though PepsiCo is primarily known for its beverages, 52% of revenues come from foods. The US is by far the largest market, with 58% of income being generated there, with the rest being from international markets.

The corporation reported revenues of \$62. 799 billion in 2016 with a net income of \$6. 329 billion.

Total operating profit reached \$9. 785 billion, and total assets were estimated to be at \$74. 129 billion.

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On top of that, an enormous \$3.5 billion got spent on R&D over the past five years.

Net cash used for investing reached a cumulative number of \$7.1 billion.

It's all just a small vertical slice of the financial data on offer.

More financials can be found below.

- Financial Analysis of PepsiCo and Coca Cola Company Professor Jana Howie
- Financial performance of PepsiCo according to distribution channel
- Financial Analysis of Pepsi Inc

Marketing

Total PepsiCo marketing expenses reached \$4.2 billion in 2016, which was spent through a variety of channels. Emerging customer demands and shareholder expectations drive innovations and new methods of branding, and PepsiCo is well aware of that.

“PepsiCo Creator” is one such team, a group within the marketing department that's in charge of marketing innovation.

- Ethics of Pepsi Advertising
- Pepsi Campaign and Brand Awareness
- Pepsi Repairing Poisoned Reputation in India
- Advertisement review: Diet Pepsi

Structure & Operations

A couple of things can be said about the organizational structure: there's a global hierarchy, market divisions, and corporate groups. The company is organized into six main segments:

1. Frito-Lay NA;
2. Quaker Foods NA;
3. NA Beverages;
4. Latin America;
5. Europe, Sub-Saharan Africa;
6. Asia, Middle East, and North Africa.

This segmentation allows the company to concentrate on regional demands. Given how the corporation operates on a massive scale, the need for 264 thousand employees is not a luxury; it's a necessity.

More about structure; divisions in the following works.

- Current Market conditions of the PepsiCo
- Market Trend of PepsiCo
- Pepsi co Global Business Strategy
- Coke and Pepsi in India
- Pepsi's Entry into India – A Lesson in Globalization

Analysis

The corporation operates in a competitive environment. Their food, snack, and drink products are in tough commercial markets. Many international, regional, and even local businesses act as direct rivals, although they don't

have the brand recognition and customer loyalty PepsiCo has.

On top of that, many economically-driven risks are involved. Since many production factories are located in countries in which economic downturns and recession are a possibility, the company needs to account for those and other associated risks (political conditions, laws, regulations, inadequate security, supply chain disruption, exchange rates, etc.).

How will the company go about doing that?

There are many noteworthy details to discover, so let's dive right in. You'll find associated analyses below.

- Impacts of Globalisation on Pepsico
- Major Challenge of PepsiCo
- Pepsi one case study
- Successful Examples of companies that use pay for performance (IKEA ; PepsiCo)
- Internal Analysis of Pepsi
- Google and Pepsico leadership case study
- How coke is kicking Pepsi's can