

The pepsi generation

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



Abstract

It takes many years to build a brand name. Pepsi is no exception. This paper discusses what Pepsi means in today's market and how it has evolved over time. It also discusses the evolution of Pepsi's target market and their competition. Celebrity endorsements can sell products and this paper discusses Pepsi's endorsers as well as their competitions. The Pepsi Generation Introduction

Pepsi Cola has been around since the 1893. Invented by pharmacist Caleb Bradham, Pepsi was originally named "Brad's drink", it was renamed Pepsi Cola about ten years later (Bellis, n. d.). The Brand in Today's Market Pepsi is found everywhere. It is known by everyone. What started out as a drink designed to be enjoyed and to help in digestion has turned into a conglomerate that encompasses so much of our lives, our vocabulary and so many products that we see in our pantries. Today the Pepsi brand more than just a soft drink.

It is also breakfast, juices, teas, side dishes, snacks, cereals and oatmeal's, energy drinks, and even water (Brands, 2011). Pepsi products are found in grocery stores, convenience stores, discount retail stores, and restaurants. The Pepsi logo is found on everything from children's toys to racecars and is a recognizable symbol all over the world. The Brand's Evolution Pepsi has come a long way since its creation in Caleb Bradhams kitchen. Pepsi Cola went bankrupt in 1923 and was later purchased by the Loft Candy Company who tried to sell it to Coca Cola.

Pepsi's first jingle was broadcast across the nation in 1940 (Bellis, n. d.). in 1966 Pepsi is sold in Japan and Eastern Europe for the first time. In 1970, sales exceed the \$1 billion mark with 36, 000 employees (Our History, n. d.). the 1980's saw Pepsi become the largest beverage company in the world with more than 300, 000 employees (Our History, n. d.). By 1990, Pepsi had acquired Frito-Lay, Gamesa, Smarfood, Kentucky Fried Chicken, 7Up, and many other enterprises (Our History, n. d.).

The Brand's Target Market: Today and Yesterday

In the early years of Pepsi, the target market was limited to the customers who frequented Bradham's Pharmacy in New Bern. Sometime around 1910, Pepsi started an ad campaign featuring women and celebrities (Caleb Bradham (1867-1934), 2011). This was a very successful move on Mr. Bradham's part. Women have always been the deciding force behind household purchases, and celebrities grab the attention of the consumer. Pepsi's target market today is geared for a younger crowd. The celebrities that are employed to be in today's commercials are well known to the younger generation.

Of course, commercials are not the only way Pepsi attracts young people. Pepsi sponsors concerts for musicians that are popular with young people. They provide scholarships, arrange educational trips, they give away items like bicycles, cd players t-shirts, and concert tickets (Pepsi Market Targeting, 2010). Positioning Of Competitors Pepsi's biggest competitor is Coca Cola. Positioning by distribution would not help Coca Cola since Pepsi is found virtually everywhere Coca Cola is found. Price positioning also would not help Coca Cola because their prices are about the same as Pepsi.

Benefit positioning is a good way for Coca Cola to position itself in the minds of consumers but Pepsi has one thing going for it that Coca Cola does not: Pepsi has food products in its list of goods and Coca Cola does not. Target positioning is Coca Cola's strongest method. They target the same young people that Pepsi does, the 15-25 year old range (Target Market of Coca Cola, 2010). Coca Cola targets upper lower and lower class students and family oriented people with busy life styles who are fun loving and who loves entertainment.

They are looking for people who are part of the mobile generation who are on the go and enjoy listening to music and watching television (Target Market of Coca Cola, 2010). Coca Cola and Pepsi and similar products but they do have their differences. Advertising reinforces these differences, which can affect sales and pricing. Advertising also protects the brands from their competition. However, there is a downside; an increase in competitive advertising can have an undesirable effect on the overall sales of each of the brands (Linton, 2011). The Celebrity Face of the Brand: The Fit and the Target

In 1984, advertising history was made as Michael Jackson and his brothers appear in Pepsi commercials. Other celebrities like Lionel Richie, Tina Turner and Michael J. Fox soon followed in Pepsi commercials (Our History, n. d.). Rap singer MC Hammer and Ray Charles appeared in commercials in 1991. All of the celebrity endorsers for Pepsi were chosen to reach a specific target market. Britney Spears and Beyonce were chosen to reach the younger generation just as Michael Jackson was some twenty years earlier. Ray

Charles was chosen to reach older consumers who grew up in the ' 50's and ' 60's.

Other Possible Endorsers for the Brand Pepsi has done a good job keeping up with the times, utilizing the celebrity status of the most popular and well-known people to sell their product. According to TV Guide, the three most popular celebrities are Jennifer Lopez, Kim Kardashian, and Mariah Carey. All three have appeared in Pepsi Commercials. Natalie Portman, Hilary Duff, and Zooey Deschanel have never endorsed Pepsi and would reach their target audience. Hilary Duff is a good choice because of her association with the Disney Channel.

Young girls look up to her and young boys think she is pretty. Natalie Portman, whose fame skyrocketed with the release of the Star Wars prequel trilogy, would also make an excellent choice for Pepsi commercials. Zooey Deschanel is appealing to young people because she is an actress, a musician, a singer and a songwriter. The Competitors' Endorsers Paris Hilton, LeBron James, and Christina Aguilera have all endorsed Coca Cola. However, Coca Cola tends to choose more athletic endorsers, like speed skater Apolo Ohno, and Olympic hockey player Angela Ruggiero (Coca-Cola's Olympic endorsers, 2011).

Coca Cola looks for more active athletic people, who are in good, physical condition. Perhaps because they want Coca Cola to be associated with a healthy lifestyle. They do have healthier alternatives than Coca Cola itself like juices and teas. Conclusion It is common knowledge that celebrities affect brand positioning. Advertising reinforces the brands image and helps

to protect it in the brand's market share from their competitors (Linton, 2011).

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