

# [Marketing mix of pepsico business essay](https://assignbuster.com/marketing-mix-of-pepsico-business-essay/)

Pepsi Co is one of the leading consumer product companies of the world that has the expanded business all over the world. It is the leading provider of Beverages, food and snacks provider and capturing a wide share in soft drink industry of the world. It has incorporated in 1931 and its merger with Frito-Lay in 1965 has expand its operation in wide extend. Pepsi Co acquires Tropicana in 1998 and then merges with Quaker Oats Company and Gatorade in 2001. Pepsi Co division has two major divisions of US business. The first is beverages, second is snacks as it is the one of the leading company to produce beverages and snacks. It is the leading companies which is providing its product in 200 countries and is has diverse portfolio with 22 brands serve in different countries and generate the sale of $1 billion every year.(PepsiCo)

## Brands

Pepsi Co serves its operation in more then 200 courtiers. The basic brands that make up Pepsi Co are following.

Pepsi Cola

Frito-Lay

Tropicana

Gatorade

Quaker

## Pepsi Cola

Pepsi Cola is a flourish brand spectrum of Pepsi Co. it has different popular brand in it e. g. mountain due, Pepsi, dew, Pepsi, SoBe, Mist, AMP Energy, Propel, Mug, and Aquafina, Lipton and many others.

## Frito-Lay

It provides the largest and the widest range of product line including chips and snaks with wide variety of flavors and healthy nutrients that add fun and flavours in the people life.

## Tropicana

It is the well known name in the juice market and has expanded product portfolio in the market that has been adding value to Pepsi Co bran world wide.

## Gatorade

Gatorade brand of Pepsi Co serves more then 80 countries of the world. this provides the product line having energetic drinks that focus on the sports players especially and the youngsters with the sake to full fill their energy need and provide them energetic drinks with nutrient contents in it.

## Quaker

It is the fast expanded brand with the portfolio of health food. It is the larger manufacturer of cold cereal and different popular bran of Quaker is famous in all over the world.

## Marketing Mix

Marketing mix consist of for important P’s which include product price place promotion

## Product

Product is some thing that is offered in the market to satisfied customers need. Pepsi Co is providing large range of products under different brand. Five different businesses under a company naming Pepsi Co are providing a mass variety of product in it. There is hundreds of product under one band. The information is given below.

## Pepsi Cola

Pepsi Cola is a providing large range of product e. g. mountain due, Pepsi, dew, Pepsi, SoBe, Mist, AMP Energy, Propel, Mug, and Aquafina, Lipton and many others. It is providing best ready to drink iced teas and coffees in North America.

## Product line

Large number of product are their in its product line some are given. All these products have different flavors in it which extend the product line.

Pepsi

Pepsi Max

Pepsi Diet

Mountain Due

7Up

Diet Pepsi Lime

Wild Cherry Citrus Blast

IZZE Natural Soda

Birch Ocean Spray Apple Juice

AMP Energy

SoBe Energize Citrus Energy

Aquafina

Lipton Iced Tea

Propel Zero Powder

## Frito-Lay

It provides the largest and the widest range of product line with variety of flavors in it. Several important products are given below for the North America and for international brand. (Frito-Lays Brands)

## North American Brands

Lay’s potato chips

Wavy Lay’s potato chips

Ruffles potato chips

Baked Doritos tortilla chips

Tostitos tortilla chips

Baked Tostitos tortilla chips

Santitas tortilla chips

Cheetos cheese flavored snacks

Rold Gold pretzels

Cracker Jack candy coated popcorn

Grandma’s cookies

Matador meat snacks

Frito-Lay nuts

Natural Tostitos

Miss Vickie’s potato chips

Munchies snack mix

## International Brands

Fandangos corn snacks

Hamka’s snacks

Walkers potato crisps

Walkers Monster Munch corn snacks

Doritos Dippas

Doritos A La Turca

Sonric’s sweet snacks

Wotsits corn snacks

Lay’s Mediteranneas

Kurkure

Smiths Sensations

Smiths potato chips

Cheetos Shots

## Tropicana

The product line of Tropicana also served in two territories, the North America Product line and the International Product line is given. (Tropicana Brands)

## North American Brands

Tropicana Pure Premium juices

Trop50

Tropicana Twister juice drinks

Dole juices (License)

Dole Sensations

Tropicana 100 juices

Naked Juice

## International Brands

Tropicana Touche de Lait

Alvalle gazpacho fruit juices and vegetable juices

Tropicana Season’s Best juices and juice drinks

Loóza juices and nectars

Copella juices

Frui’Vita juices

## Gatorade

The international and North America both brand are very popular and comes in market after complete lab tests to make it useable and prevent from any harm.

## International and North American Brands

Gatorade Thirst Quencher

Gatorade Frost Thirst Quencher

Gatorade Ice Thirst Quencher

Gatorade Xtremo Thirst Quencher

Gatorade X-Factor Thirst Quencher

Propel Fitness Water

Tiger Red Drive

G2 Fruit Punch

G2 Orange

## Quaker

It has the old and large setup brand including the following product line. ( Quaker Brands)

## North American Brands

Quaker Old Fashioned Oats

Quaker Life cereal

Quisp cereal

King Vitaman cereal

Quaker Oh’s! Cereal

Mother’s cereals

Aunt Jemima mixes & syrups

Quaker breakfast cookies

Quaker soft-baked cookies

Quaker Multigrain Fiber Crisps

Quaker Stila bars

Quaker Chewy granola bars

Quaker Chewy Smashbars

Puffed Wheat

## International Brands

FrescAvena beverage powder

Toddy chocolate powder

Toddynho chocolate drink

Coqueiro canned fish

Quaker Bagged cereals

Quaker Mais Sabor

Quaker Meu Mingau

Corn goods

Quaker Mágica

## Pricing Strategy

Pepsi has a very mature pricing strategy in order to meet the customers need and to achieve the company goal of gaining profit. Pepsi is using price discrimination strategy to maintain the pace and to achieve the competitive advantages as well.

## Direct price discrimination

Pepsi charge different prices in different countries in order to discriminate the price according to countries currency value an providing the product at reasonable and affordable prices.

## Indirect price discrimination Strategy

Pepsi has also providing discounts on the sales in order to achieve higher return and this is indirect discrimination. Large number of discounting strategy is using by Pepsi e. g. offer snacks with drinks for special offer, or special offers in different occasions and celebration depend on countries culture etc.

## Place (Distribution)

Place and distribution includes the movement of product from manufacturer to the whole seller, retailer or end user. Pepsi has a vast extensive distribution network all over the world that ensures the availability of Pepsi product in each and every locality where the target market of Pepsi is located. Currently it is focusing on more then two hundred countries. Extensive communication and transportation networks are utilized by Pepsi for this purpose.

## Direct-Store-Delivery:

Pepsi operates to make direct delivery of snacks and beverages possible in the retail stores. Its bottlers operate direct store delivery systems. Direct-store-delivery enables them appeal their customers directly.

## Broker-Warehouse

Some of Pepsi products are delivered from their warehouses to customer warehouses and retail stores. These less costly systems specially for the perishable products.

## Foodservice and Vending

Pepsi vendors and food service forces distribute snacks, foods and beverages to third-party operators. These distribution systems promote and supply their products to schools, businesses, stadiums, restaurants, and similar locations.

## Promotion

Pepsi is a renowned brand in the market world the reason behind it is its extensive marketing and promotional strategies that is well known in the world. Strategic alliance with other partners of the world is also one of the major tools for marketing and promotion of Pepsi. Other strategies used by Pepsi are following.

## Use celebrities

What they saw was that the students were crazy about cricket and usually liked to idealize them so in order to increase their sales the Pepsi cola company paid high amounts of money to the cricketers to act as their spokes men.

## Low pricing

The Pepsi cola company has after doing research also has introduced different size of bottles offered at lower prices so that every one can afford them.

## Introduce new flavors

Pepsi Company has always tried to add new flavors in its product line that keep it remind in customers mind.

## Sponsors

Pepsi Co has sponsored number of events to promote its brand.

## Comparative Parity Method:

As we have already discussed Pepsi pricing strategy is determined by consideration the strategy of coca cola so in this case also Pepsi ads are telecasted with the competition in coca cola which is its direct competitor.

## Heavy advertisement of new products

When Pepsi introduced any new variant they have advertised it heavily. Objective of which is to make a space for new product in the market.

## Seasonal advertisement:

Frequency of the Pepsi ads varies from time to time. That keep its fresh image in customers mind.

## Conclusion

Pepsi is a well renowned company and it has maintained its position well by understanding the client psychology, by ensuring quality, by introducing ingenuity in products, by enlarging its product base, by keeping economic factors in view and by intense and jazzy advertisements. Pepsi has built its strong market reputation in the market as the leading company for soft drinks and food and snacks industry and its strong marketing strategies always try to maintain its competitive position in the market and to compete effectively with its market rivals, especially Coca Cola. Pepsi always remain in spot lights with participating in different events and using marketing tactics to make it successful to get competitive advantage and that is the key for Pepsi success.