

# Pepsi co

Finance



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Conclusion Report Pepsi Co. has the main mission to become the world's premier consumer product company and is aimed to grow in all those aspects in the world in which the company is operating. The key vision of the company to achieve is to execute different programs related to the food and refreshing beverages, and excel in the competition against the other mainstream beverage companies, such as Coca Cola Inc. The mainstream products manufactured by the company contain Pepsi, 7-Up, Mirinda, Lays, Quaker, Doritos, Walkers, PJ, and Tropicana. The company became the first official drink-maker to distribute its products in Vietnam. The sales of the company have reached \$30.4 billion according to estimates made in 2010. The intense competition in the market has led the company to take effective and strong measures to improve their financial standing as well as market reputation throughout the world. This is the reason that Pepsi initiates several promotion programs throughout the world every year. They have also reached the whole world to increase their market capacity so that they win the 'sale-race' against their mainstream competitor Coca-Cola. The marketing promotions and programs have led the Pepsi Cola Inc to become one of the top competitors of Coca-Cola. Their competitor has although a large market share, but still Pepsi is keep emerging into the market as the mainstream beverages company. The total net revenue of the company in the end of 2010 was \$57,838 million, which were quite lesser than the revenue generated by Coca-Cola Inc in the end of 2010. According to the current balance sheet prepared by the company officials in 2011, Pepsi has current assets of \$17,834,000 thousands, which is also quite lesser than that of Coca-Cola but the different of assets has decreased compared to the data recorded 5 years ago, and that shows the company

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growing its business and excelling its competitors. Whereas, the total assets owned by the company are more, i. e. \$75, 378, 000 thousands. The total liability of the company is \$51, 801, 000, whereas total equity of the company is \$23, 577, 000. And the total liabilities and equities of the company is \$75, 378, 000 thousands.

Compared to the soft drink sales in 2010 of Coca-Cola's 1590 million cases, Pepsi was only able to sale 892 million cases, which means that Coca-Cola was able to make more than around 40% of more profit than that of Pepsi.

The company's gross profit margin in 2011 records was 57%. Their current ratio is 1, and cash per share is %1. 97. Their cash flow per share is \$5. 77.

The main recommendation for the Pepsi Cola Inc would be to look for the future business plans, where they must target their earnings according to the per share growth. They must be expecting to have their stock shares being repurchased. The company must be focusing on building their brands to the macroeconomic appeal and must profitably increase the snack and beverage brand worldwide to the more developing countries. The company must also focus on cutting off the product shortages, high costs, as well as the operating expenses.