

Dissertation Project

Retail Distribution and Advertisement Study Of Pepsi

Submitted by:

Sohraab Singh

Roll No. 2k13/MBA/80

Under the guidance of:

Mr. Abhinav Chaudhary

Assistant Professor, Delhi School of Management



Delhi School of Management

Delhi Technological University , Delhi

Bawana Road , Delhi – 110042

Jan-May 2015

Executive Summary



- **OBJECTIVE OF THE STUDY**
- **SCOPE OF THE STUDY**
- **PRE SALE CONCEPT**

OBJECTIVES OF THE STUDY

The survey was conducted by keeping following objectives in view:-

- **The survey was done to find out the present status of PEPSI in the retail outlets.**

- **To find the receptivity of the brand among the retailers and consumers particularly of eating and drinking, grocery store, and convenience shops.**

- **To study of distribution and marketing strategy of pepsi, the major competitor in this category.**

- **To collect data about the retailers that can be used for activating new channels and merchandising opportunities.**

- **To find out ways to increase the sales of the new launches in different places.**

SCOPE OF THE STUDY

Scope of the study for PEPSI , by this study, the company will come to know:-

- **Through this study company can know about its growth.**

- **This study will also help to the company to know about their new concepts position in the market.**

- **This study will also help to the company to know about its promotional activities.**

- **Through this study company will know about the availability of its products in the market.**

The survey was based on three topics:-

- **Firstly, we have to check the cooler management i.e. the cooler that was provided by the company to the customer, are properly managed/working or not. And lastly the most important aspect of cooler management was the brand order.**

- **Secondly, we have to check the availability of the product i.e. whether the product is available to the customer or not.**

- **Lastly, we have to check the activation, which is a very important because activation helps to boost the sales. Activation is done through boards i.e. glow sign. And is very helpful in attracting the customers. Rack with header is provided to the Grocery, outlets, which should be fully charged.**

Right Execution Daily (R.E.D) is the diversification of outlets as Channel, Class, and Income. Let's know what are the Channel, Class, and Income respectively.

CHANNEL

Which types of outlet is this E&D (Eating & Drinking), GROCERY, or CONVENIENCE?

E&D

Like restaurant must have 5 tables with chairs.

GROCERY

Like general store.

CONVENIENCE

Like Pan Shop

CLASS

Which class outlet has like, SILVER, GOLD or DIAMOND?

SILVER

Those outlets, which sells 800 & above carets per year.

GOLD

Those outlets, which sells 500-799 carets per year.

DIAMOND

Those outlets, which sells 800 & above carets per year.

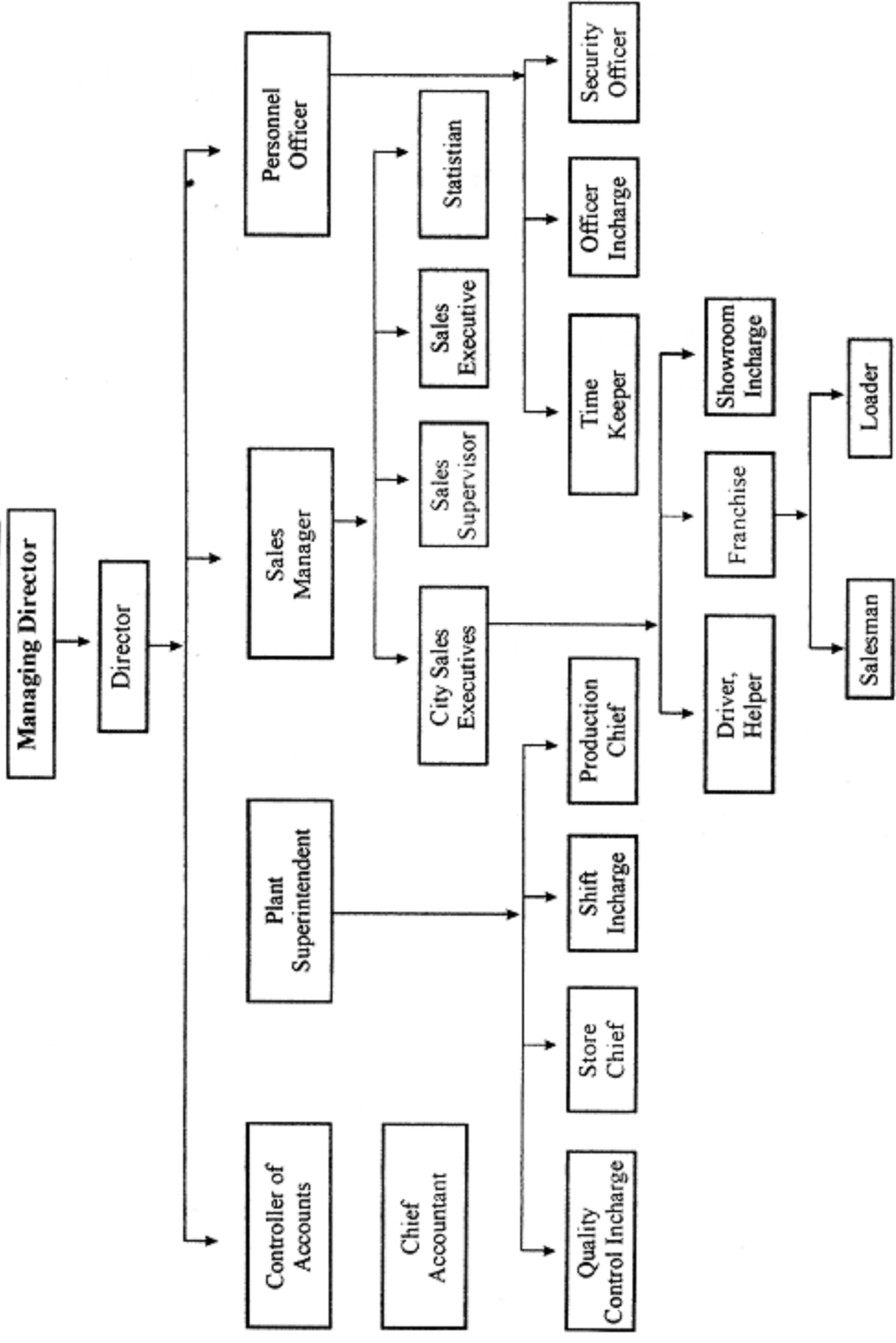
INCOME

Whoever customer comes on shop which income class they belongs like high income, medium income, low income.

CHANNEL CLASS LOCALITY INCOME GROUP

		Convenience
Diamond	high	
Ex – Pan Shop, P.C.O etc.>800c/s sale		
Grocery	Gold	Medium
Ex – General store, 500-799c/s sales		
Provision store etc.		
E&D (Eating and Drinking)	Silver	Low

This is the new concept that had started from the year 2008. In the pre- sale the company takes order one day before and accordingly company delivers their products for each route.



Literature Review

- **THE SOFT DRINK MARKET**
- **HISTORY OF SOFT DRINK IN INDIA**
- **HISTORY OF PEPSI**
- **HISTORY OF PEPSI IN INDIA**
- **VISION & MISSION OF PEPSICO**

THE SOFT DRINK MARKET

Non-alcoholic soft drink beverage market can be divided into fruit drinks and soft drinks. Soft drinks can be further divided into carbonated and non-carbonated drinks. Cola, lemon, oranges are carbonated drinks while mango drinks come under non carbonated category. The soft drinks market

till early 90's was in hands of domestic players like Campa, Thumps Up, Limca etc but with opening up of economy and coming of MNC players Pepsi and Coke the market has come totally under their control. While world wide Coke is the leader in carbonated drinks market in India it is Pepsi which scores over Coke but this difference is fast decreasing (Courtesy huge ad-spending by both the players). Pepsi entered Indian market in 1991, Coke re-entered (After they were thrown out in 1977, by the then central government) in 1993.

Pepsi has been targeting its products towards youth and it has struck right chord with the market and the sales have been doing well by sticking to this youth bandwagon. Coke on the other hand struggled initially in establishing itself in the market. In a span of 7 years of its operations in the country, it changed its CEO four times but finally they seem to have started understanding the pulse of Indian consumers.

Soft drinks are available in glass bottles, aluminum Cans and PET bottles for home consumptions. Fountains also dispense them in disposable containers.

HISTORY OF SOFT DRINK IN INDIA

India is a potentially one of the largest consumer market in the world. Soft drink is a typical product, which quenches thirst and also used for refreshment. In old days people used to quench their thirst by taking water, Jal jeera, Lassi, Sharbat, Ganna Juice etc. which still prevailing in the market. But as the people require more advance and efficient drink, so there felt a need for more sophisticated means of satisfying thirst, which ultimately gave to the production of modern soft drink.

A soft drink is a non alcoholic beverage. It is artificially flavored drink, which contains no fruit juice or pulp.

Introduction of soft drink in the name of COCA-COLA was first created in 1886 in USA. Dr. John S. Perfector perfected the formula of Coca-Cola. The Parle came up by introducing 'Gold Spot' in orange flavor. It was really a challenging task for Parle to position the Gold Spot in the market against Coca-Cola, because using foreign brands habituated people. So first of all, it was launched in Bombay and free sampling was done in hotels, restaurant, offices and clubs to make people aware about the taste and quality because it was quite different from Coca-Cola in these two attributes.

After a tedious effort of about 20 years, it succeeded in establishing its separate identity. Thus Coca-Cola was the first foreign brand introduced in India during 1965 and the first Indian brand soft drink was Gold Spot launch in the later part of 1940's.

During the rule of 'Janta Party' at center in 1978, the Indian government cancelled collaboration with USA's Coca-Cola company and

as result Coca-Cola winded up its operation in India. Now Indian market was open for various cold drinks. Several companies came forward pushing the' different brands in the market. Parle introduced 'Thums Up'. Pure drink of Delhi introduced Campa-Cola along with Campa Orange and Campa-Cola.

Modern bakeries introduced double seven.MohanMeaking came up with Marry and Pick Up and MC.Dowell came up with thrill, Rush sprint in Indian market. umpin (Godrej) and treeto (Li pton) entered with tetra pack and started grabbing the market in the absence of Coca-Cola.

In 1991,a multinational company globally known as P.C. 1. (Pepsi Cola International) entered the Indian market with the name P.F.L. (Pepsi Food Limited). Its president Christopher found a large scope for their soft drink in India.

Both PFL and Parle were the two main bottlers in the soft drink arena. There was a cut throat competition between them.1993, Coca-Cola re-entered into the Indian market and acquired five brands of parlei.eThums !Up, Limca, Citra, Maza and Gold-Spot. Thus in India, Coca-Cola has become the close rival of Pepsi Foods Limited (PFL). They are fighting each other to gain a clear edge over the other.

A present, Pepsi Foods Limited has 44 bottling plants while Coca-Cola has 62 bottling plants. The total money invested by Pepsi Foods Ltd. is 500 million dollars while Coca-Cola has invested 800 million dollars in India. The Indian soft drink market was growing at an encouraging 16% per annum which augured well for both the companies.

HISTORY OF PEPSI

In 1902, he launched the Pepsi-Cola Company in the back room of his pharmacy, and applied to the U.S. Patent Office for a trademark. At first, he mixed the syrup himself and sold it exclusively through soda fountains. But soon Caleb recognized that a greater opportunity existed to bottle Pepsi so that people could drink it anywhere.

The business began to grow, and on June 16, 1903, "Pepsi-Cola" was officially registered with the U.S. Patent Office. That year, Caleb sold 7,968 gallons of syrup, using the theme line "Exhilarating, Invigorating, Aids Digestion." He also began awarding franchises to bottle Pepsi to independent investors, whose number grew from just two in 1905, in the cities of Charlotte and Durham, North Carolina, to 15 the following year, and 40 by 1907. By the end of 1910, there were Pepsi-Cola franchises in 24 states.

Pepsi-Cola's first bottling line resulted from some less-than-sophisticated engineering in the back room of Caleb's pharmacy. Building a strong franchise system was one of Caleb's greatest achievements. Local Pepsi-Cola bottlers, entrepreneurial in spirit and dedicated to the product's success, provided a sturdy foundation. They were the cornerstone of the Pepsi-Cola enterprise. By 1907, the new company was selling more than 100,000 gallons of syrup per year.

Growth was phenomenal, and in 1909 Caleb erected a headquarters so spectacular that the town of New Bern pictured it on a postcard. Famous racing car driver Barney Oldfield endorsed Pepsi in newspaper ads as "A bully drink...refreshing, invigorating, a fine bracer before a race."

The previous year, Pepsi had been one of the first companies in the United States to switch from horse-drawn transport to motor vehicles, and Caleb's business expertise captured widespread attention. He was even mentioned as a possible candidate for Governor. A 1913 editorial in the Greensboro Patriot praised him for his "keen and energetic business sense."

Pepsi-Cola enjoyed 17 unbroken years of success. Caleb now promoted Pepsi sales with the slogan, "Drink Pepsi-Cola. It will satisfy you." Then came World War I, and



the cost of doing business increased drastically. Sugar prices see sawed between record highs and disastrous

was forced into a series of business gambles just to survive, until finally, after three exhausting years, his luck ran out and he was bankrupted. By 1921, only two plants remained open. It wasn't until a successful candy manufacturer, Charles G. Guth, appeared on the scene that the future of Pepsi-Cola was assured. Guth was president of Loft Incorporated, a large chain of candy stores and soda fountains along the eastern seaboard. He saw Pepsi-Cola as an opportunity to discontinue an unsatisfactory business relationship with the Coca-Cola Company, and at the same time to add an attractive drawing card to Loft's soda fountains. He was right. After five owners and 15 unprofitable years, Pepsi-Cola was once again a thriving national brand.

One oddity of the time, for a number of years, all of Pepsi-Cola's sales were actually administered from a Baltimore building apparently owned by Coca-Cola, and named for its president. Within two years, Pepsi would earn \$1 million for its new owner. With the resurgence came new confidence, a rarity in those days because the nation was in the early stages of a severe economic decline that came to be known as the Great Depression.



1898 Caleb Bradham, a New Bern, North Carolina, pharmacist, renames "Brad's Drink," a carbonated soft drink he created to serve his drugstore's fountain customers. The new name, Pepsi-Cola, is derived from two of the principal ingredients, pepsin and kola nuts. It is first used on August 28.

1902 Bradham applies to the U.S. Patent Office for a trademark for the Pepsi-Cola name.

1903 In keeping with its origin as a pharmacist's concoction, Bradham's advertising praises his drink as "Exhilarating, invigorating, aids digestion."

1905 A new logo appears, the first change from the original created in 1898.

1906 The logo is redesigned and a new slogan added: "The original pure food drink." The trademark is registered in Canada.

1907 The Pepsi trademark is registered in Mexico.

1909 Automobile racing pioneer Barney Oldfield becomes Pepsi's first celebrity endorser when he appears in newspaper ads describing Pepsi-Cola as "A bully

drink...refreshing, invigorating, a fine bracer before a race." The theme "Delicious and Healthful" appears, and will be used intermittently over the next two decades.

1920 Pepsi appeals to consumers with, "Drink Pepsi-Cola. It will satisfy you."

1932 The trademark is registered in Argentina.

1934 Pepsi begins selling a 12-ounce bottle for five cents, the same price charged by its competitors for six ounces.

1938 The trademark is registered in the Soviet Union.

1939 A newspaper cartoon strip, "Pepsi & Pete," introduces the theme "Twice as Much for a Nickel" to increase consumer awareness of Pepsi's value advantage.

1940 Pepsi makes advertising history with the first advertising jingle ever broadcast nationwide. "Nickel, Nickel" will eventually become a hit record and will be translated into 55 languages. A new, more modern logo is adopted.

1941 In support of America's war effort, Pepsi changes the color of its bottle crowns to red, white and blue. A Pepsi canteen in Times Square, New York, operates throughout the war, enabling more than a million families to record messages for armed services personnel overseas.

1943 The "Twice as Much" advertising strategy expands to include the theme, "Bigger Drink, Better Taste."

1949 "Why take less when Pepsi's best?" is added to "Twice as Much" advertising.

1950 "More Bounce to the Ounce" becomes Pepsi's new theme as changing soft drink economics force Pepsi to raise prices to competitive levels. The logo is again updated.

1953 Americans become more weight conscious, and a new strategy based on Pepsi's lower caloric content is implemented with "The Light Refreshment" campaign.

1954 "The Light Refreshment" evolves to incorporate "Refreshing Without Filling."

1958 Pepsi struggles to enhance its brand image. Sometimes referred to as "the kitchen cola," as a consequence of its long-time positioning as a bargain brand, Pepsi now identifies itself with young, fashionable consumers with the "Be Sociable,

Have a Pepsi" theme. A distinctive "swirl" bottle replaces Pepsi's earlier straight-sided bottle.

1959 Soviet Premier Nikita Khrushchev and U.S. Vice-President Richard Nixon meet in the soon-to-be-famous "kitchen debate" at an international trade fair. The meeting, over Pepsi, is photo-captioned in the U.S. as "Khrushchev Gets Sociable."

1961 Pepsi further refines its target audience, recognizing the increasing importance of the younger, post-war generation. "Now it's Pepsi, for Those who think Young" defines youth as a state of mind as much as a chronological age, maintaining the brand's appeal to all market segments.

1963 In one of the most significant demographic events in commercial history, the post-war baby boom emerges as a social and marketplace phenomenon. Pepsi recognizes the change, and positions Pepsi as the brand belonging to the new generation-The Pepsi Generation. "Come alive! You're in the Pepsi Generation" makes advertising history. It is the first time a product is identified, not so much by its attributes, as by its consumers' lifestyles and attitudes.

1964 A new product, Diet Pepsi, is introduced into Pepsi-Cola advertising.

1966 Diet Pepsi's first independent campaign, "Girlwatchers," focuses on the cosmetic benefits of the low-calorie cola. The "Girlwatchers" musical theme becomes a Top 40 hit. Advertising for another new product, Mountain Dew, a regional brand acquired in 1964, airs for the first time, built around the instantly recognizable tag line, "Ya-Hoo, Mountain Dew!"

1967 When research indicates that consumers place a premium on Pepsi's superior taste when chilled, "Taste that beats the others cold. Pepsi pours it on" emphasizes Pepsi's product superiority. The campaign, while product-oriented, adheres closely to the energetic, youthful, lifestyle imagery established in the initial Pepsi Generation campaign.

1969 "You've got a lot to live. Pepsi's got a lot to give" marks a shift in Pepsi Generation advertising strategy. Youth and lifestyle are still the campaign's driving forces, but with "Live/Give," a new awareness and a reflection of contemporary events and mood become integral parts of the advertising's texture.

1973 Pepsi Generation advertising continues to evolve. "Join the Pepsi People, Feelin' Free" captures the mood of a nation involved in massive social and political change. It pictures us the way we are-one people, but many personalities.

1975 The Pepsi Challenge, a landmark marketing strategy, convinces millions of consumers that Pepsi's taste is superior.

1976 "Have a Pepsi Day" is the Pepsi Generation's upbeat reflection of an improving national mood. "Puppies," a 30-second snapshot of an encounter between a very small boy and some even smaller dogs, becomes an instant commercial classic.

1979 With the end of the '70s comes the end of a national malaise. Patriotism has been restored by an exuberant celebration of the U.S. bicentennial, and Americans are looking to the future with renewed optimism. "Catch that Pepsi Spirit!" catches the mood and the Pepsi Generation carries it forward into the '80s.

1982 With all the evidence showing that Pepsi's taste is superior, the only question remaining is how to add that message to Pepsi Generation advertising. The answer? "Pepsi's got your Taste for Life!," a triumphant celebration of great times and great taste.

1983 The soft drink market grows more competitive, but for Pepsi drinkers, the battle is won. The time is right and so is their soft drink. It's got to be "Pepsi Now!"

1984 A new generation has emerged-in the United States, around the world and in Pepsi advertising, too. "Pepsi. The Choice of a New Generation" announces the change, and the most popular entertainer of the time, Michael Jackson, stars in the first two commercials of the new campaign. The two spots quickly become "the most eagerly awaited advertising of all time."

1985 Lionel Richie leads a star-studded parade into "New Generation" advertising followed by pop music icons Tina Turner and Gloria Estefan. Sports heroes Joe Montana and Dan Marino are part of it, as are film and television stars Teri Garr and Billy Crystal. Geraldine Ferraro, the first woman nominated to be vice president of the U.S., stars in a Diet Pepsi spot. And the irrepressible Michael J. Fox brings a special talent, style and spirit to a series of Pepsi and Diet Pepsi commercials, including a classic, "Apartment 10G."

1987 After an absence of 27 years, Pepsi returns to Times Square, New York, with a spectacular 850-square foot electronic display billboard declaring Pepsi to be "America's Choice."

1988 Michael Jackson returns to "New Generation" advertising to star in a four-part "episodic" commercial named "Chase." "Chase" airs during the Grammy

Awards program and is immediately hailed by the media as "the most-watched commercial in advertising history."

1989 "The Choice of a New Generation" theme expands to categorize Pepsi users as "A Generation Ahead!"

1990 Teen stars Fred Savage and Kirk Cameron join the "New Generation" campaign, and football legend Joe Montana returns in a spot challenging other celebrities to taste test their colas against Pepsi. Music legend Ray Charles stars in a new Diet Pepsi campaign, "You got the right one baby."

1991 "You got the Right one Baby" is modified to "You got the Right one Baby, Uh-Huh!" The "Uh-Huh Girls" join Ray Charles as back-up singers and a campaign soon to become the most popular advertising in America is on its way. Supermodel Cindy Crawford stars in an award-winning commercial made to introduce Pepsi's updated logo and package graphics.

1992 Celebrities join consumers, declaring that they "Gotta Have It." The interim campaign supplants "Choice of a New Generation" as work proceeds on new Pepsi advertising for the '90s. Mountain Dew growth continues, supported by the antics of an outrageous new Dew Crew whose claim to fame is that, except for the unique great taste of Dew, they've "Been there, Done that, Tried that."

1993 "Be Young, Have fun, Drink Pepsi" advertising starring basketball superstar Shaquille O'Neal is rated as best in U.S.

1994 New advertising introducing Diet Pepsi's freshness dating initiative features Pepsi CEO Craig Weatherup explaining the relationship between freshness and superior taste to consumers.

1995 In a new campaign, the company declares "Nothing else is a Pepsi" and takes top honors in the year's national advertising championship.



HISTORY OF PEPSI IN INDIA

As an MNC on the globe, Pepsi Foods Ltd. is one of the largest soft drink company at the world with its head quarter in New York.

Pepsi entered in the Indian soft drink market in 1988 and began its production in May, 1990 and soon it was giving the local contenders the run for their market. It came out with dazzling marketing innovation that rocked the cola market line selling the product through functional Pepsi outlets.

Pepsi success in creating a brand almost from scratch. In India it is the stuff that marketing case studies are made given the problems of doing over advantage it entered before coke returned was considerable reduced by the onerous export obligation slapped on the company. Yet right from the beginning Pepsi demonstrated a far more focused approach while it entered

The market like any other MNC, it was quick to adopt. It realize that consumer particularly the youth to whom it consciously reached out would identify better with a brand that they see as global yet India Pepsi was built as desi brand. Hence its deliberate attempt to build ad-campaign using the popular Hinglish, in the process slogans like “yehi hai right choice baby Aha” and “yeh dil mange more” become a part of india’s popular consciousness. When Pepsi lost the bidding battle to sponsor a cricket tournament to coke, the loss was turned into a triumph with the catch line “Nothing official about it”. Two, it cashed in on the untapped consumer aspiration in smaller towns, tehsils head quarters and hinter-land of metropolitan cities. Three, it showed a rare ability to not only survive, but grow through India’s tortuous policy twist and turns which threw many other MNC’s offbalance. And four its top management teams did not suffer from frequent changes seen at rivals, Coke consequently it was able to pursue its chosen policy with for greater zeal and dedication.

Unlike Coke which paid enormous prices to buy established local brands. Pepsi brought its own stuff over and pushed those aggressively with dealers, retailers and consumer. Right now, it can bark in its outstanding success inbuilt, dinga brand that has become synonymous with soft drinks across the length and breadth of the country.

MISSION & VISION OF THE PEPSICO

Mission of the PepsiCo

Our mission is to be the world's premier consumer products company focused on convenient foods and beverages.

We seek to produce financial rewards to investors as we provide opportunities for growth and enrichment to our employees, our business partners and the communities in which we operate. And in everything we do, we strive for honesty, fairness and integrity.

Vision of the PepsiCo

"PepsiCo's responsibility is to continually improve all aspects of the world in which we operate – environment, social, economic – creating a better tomorrow than today."

Our vision is put into action through programs and a focus on environmental stewardship, activities to benefit society, and a commitment to build shareholder value by making PepsiCo a truly sustainable company.

Market Analysis



PRODUCT PROFILE OF PEPSICO

CONSUMER CHOICE AT A GLANCE

DIFFERENT PLAYERS IN THE SOFT DRINKS MARKETS

MODUS OPERANDI

PRICE LIST

PRODUCT PROFILE OF PEPSICO

There are Eight brands of Pepsi in India and they are differ in taste, flavor and also in their colours.

1.PEPSI

Pepsi is considered to be cold drink. It is generally preferred by all sections of consumer. This is a case cow brand for the company in terms of sales revenue.

2.MIRINDA

Mirinda is considered to be lemony in taste, and comes under the light drink.

3.7UP

7up is a good product at Pepsi and contains at lemon flavor.

4.MOUNTAIN DEW

Mountain dew is also consider to be a cold drink. It is light comperision to pepsi. It is preferred by all section of consumer but especially to teen-age. It is big source of company to cash its publicity

5.SLICE

SLICE MANGO, in slice cold drink no gas only based on juice. It is a non-aerated soft drink. It is preferred mostly Children & Women.

6.Tropicana

In Minute maid puppy orange cold drink no gas only based on orange juice. It is a non-aerated soft drink.

7.Eversses Soda

This is soda drink. It has no colour and no flavor. It is generally used with alcohol and used by adults.

8.Aquafina water

It is mineral water.







Click on the image to view the ad





CONSUMER CHOICE AT A GLANCE

Pepsi	Mainly preferred by youngster & kids
Mirinda	Common Drink.
Slice	Basically preferred by Ladies & kids.
7up	Youngster
Mountain dew	Youngster
Tropicana	Basically preferred by Ladies & kids.

Eversses Soda **Mostly those who consume liquor.**
Aquafina **Mostly preferred by traveller**

DIFFERENT PLAYERS IN THE SOFT DRINKS MARKETS

Coca-Cola

Introduction of soft drink in the name of COCA-COLA was first created in 1886 in USA. Dr. John S. Perfecto perfected the formula of Coca-Cola. The Parle came up by introducing 'Gold Spot' in orange flavor. It was really a challenging task for Parle to position the Gold Spot in the market against Coca-Cola, because using foreign brands habituated people. So first of all, it was launched in Bombay and free sampling was done in hotels, restaurants, offices and clubs to make people aware about the taste and quality because it was quite different from Coca-Cola in these two attributes.

After a tedious effort of about 20 years, it succeeded in establishing its separate identity. Thus Coca-Cola was the first foreign brand introduced in India during 1965 and the first Indian brand soft drink was Gold Spot launch in the later part of 1940's.

During the rule of 'Janta Party' at center in 1978, the Indian government cancelled collaboration with USA's Coca-Cola company and as result Coca-Cola winded up its operation in India. Now Indian market was open for various cold drinks. Several companies came forward pushing the' different brands in the market. Parle introduced 'Thums Up'. Pure drink of Delhi introduced Campa-Cola along with Campa Orange and Campa-Cola.

Modern bakeries introduced double seven. Mohan Making came up with Marry and Pick Up and McDowell came up with thrill, Rush sprint in Indian market. Ump in (Godrej) and tree to (Li pton) entered with tetra pack and started grabbing the market in the absence of Coca-Cola.

In 1991, a multinational company globally known as P.C. 1. (Pepsi Cola International) entered the Indian market with the name P.F.L. (Pepsi Food Limited). Its president Christopher found a large scope for their soft drink in India.

Both PFL and Parle were the two main bottlers in the soft drink arena. There was a cut throat competition between them. 1993, Coca-Cola re-entered into the Indian market and acquired five brands of parlei.eThums! Up, Limca, Citra, Maza and Gold-Spot. Thus in India, Coca-Cola has become the close rival of Pepsi Foods Limited (PFL). They are fighting each other to gain a clear edge over the other.

A present, Pepsi Foods Limited has 44 bottling plants while Coca-Cola has 62 bottling plants. The total money invested by Pepsi Foods Ltd. is 500 million dollars while Coca-Cola has invested 800 million dollars in India. The Indian soft drink mrket was growing at an encouraging 16% per annum which augured well for both the companies.

Coca-cola in india

Coca-Cola India has made significant investments to build and continually improve its business in India, including new production facilities, wastewater treatment plants, distribution systems and marketing equipment. During the past decade, The Coca-Cola System has invested more than US \$1 billion in India, making Coca-Cola one of the country's top international investors and in 2003, Coca-Cola India pledged to invest a further \$100 million in its operations.

The Coca-Cola System in India includes 24 Company-owned bottling operations and another 25 franchisee-owned bottling operations that directly employ 5,500 local people and create jobs for another 150,000s.

Virtually all the goods and services required to produce and market Coca-Cola products locally – including our Kinley water brand launched in 2000, Shock, an energy drink launched in 2001, and Sunfill, our first powdered concentrate, also launched in 2001 – are made in India, ensuring that the benefits of such enterprises remain in the local communities in which they operate.

For as long as we've been in India, The Coca-Cola Company and our independent bottlers have been engaged at the international, national and community levels to support programs that protect the environment, conserve water, promote education, and provide healthcare.

CADBURY SCHWEPPEES

Cadbury Schweppes are joined force of Cadbury found in 1824 of U.K. and Schweppes of Ireland founded in 1783. Cadbury Schweppes is unified business which manages the relations his with over 240 franchised bottling operation on Zambia and Zimbabwe. Cadbury Schweppes has fottlery and partnership operations in 14 countries around the world.

Pepsi in India

May 1995 one more soft drink Cadbury Schweppes entered the Indian soft drink market and now the competition in the industry is more due to rise in the number of competition and also due to large product range that they all are offering to the market.

Cadbury India is a food product company with interests in Chocolate Confectionery, Milk Food Drinks, Snacks, and Candy. Cadbury is the market leader in Chocolate Confectionery business with a market share of over 70%. Some of the key brands of Cadbury are Cadbury Dairy Milk, 5 Star, Perk, Eclairs, Celebrations, Temptations, and

Gems. In Milk Food drinks segment, Cadbury's main product - Bournvita is the leading Malted Food Drink in the country.

Cadbury is the world's largest confectionery company and its origins can be traced back to 1783 when Jacob Scheppe perfected his process for manufacturing carbonated mineral water in Geneva, Switzerland. In 1824, John Cadbury opened in Birmingham selling cocoa and chocolate. Cadbury and Scheppe merged in 1969 to form Cadbury Scheppe plc. Milk chocolate for eating was first made by Cadbury in 1897 by adding milk powder paste to the dark chocolate recipe of cocoa mass, cocoa butter and sugar. In 1905, Cadbury's top selling brand, Cadbury Dairy Milk, was launched. By 1913 Dairy Milk had become Cadbury's best selling line and in the mid twenties Cadbury's Dairy Milk gained its status as the brand leader. Cadbury India began its operations in 1948 by importing chocolates and then re-packing them before distribution in the Indian market. Today, Cadbury has five company-owned manufacturing facilities at Thane, Induri (Pune) and Malanpur (Gwalior), Bangalore and Baddi (Himachal Pradesh) and 4 sales offices (New Delhi, Mumbai, Kolkota and Chennai). Its corporate office is in Mumbai. Worldwide, Cadbury employs 60,000 people in over 200 countries.

Major Achievements of Cadbury

- **Worlds No 1 Confectionery company**
- **World's No 2 Gums company.**
- **World's No 3 beverage company.**
- **World's No 3 beverage company.**
- **Cadbury Dairy Milk & Bournvita have been declared a "Consumer Superbrand" for 2006-7 by Superbrands India.**
- **Cadbury India has been ranked 5th in the FMCG sector, in a survey on India's most respected companies by sector conducted by Business World magazine in 2007.**

MODUS OPERANDI

The multinational soft drink companies carry their business by licensing bottlers around the country or more technically franchising the bottlers and supplying also. With retail prices ranging to Rs.9-10 per bottle (300ml) for consumer and Rs.196 per crate (24 bottles) for retailers. A bottler must pay as such as 34% of the price per case as excise duty, sales and turnover tax.

A further 10% goes into expenditure on local advertising and sales promotion. Distribution and transportation cost takes care of another 10% raw material cost, Concentrate, Sugar, Citra, Acid, Bottle caps etc. eat up another 23% production cost, in terms of fuel, power, maintenance and labour add up to 14%.

The consumer, obviously, shoulders most of the burden, bottle cost are also critical component of soft drink business.

Pepsi is positioning all of its beverages as all seasons' beverages rather than only summer drinks, this will greatly help to increase consumption.

PRICE LIST

PRICING LIST	
Out let Rate	C. Rate

Pack Size	Pcs	Rate	Per Pec Rate	Rate	Per Pec Rate
300ML	24	214	9	240	10
600ML	24	454	19	480	20
2000ML	9	459	51	495	55
250ML	24	214	9	240	10
500ML	24	498	21	552	23
1200ML	12	532	44	576	48
200ML Slice	30	285	10	360	12
My Can	24	330	14	360	15
Pepsi D	24	564	23.50	600	25

Competitive Analysis

- **THE COMPETITIVE AREA AMONG PEPSI AND COKE**

- **ADVERTISING**
- **PROMOTION BY THE COMPANY**

THE COMPETITIVE AREA AMONG PEPSI AND Coke

The Soft drink market all over the world as been witnessing a neck-to- neck battle between the two major players; Coca-Cola and Pepsi since very beginning. The thirst quenchers are trying hard to have the major piece of the apple of overall carbonated soft drink market. Both the players are spending their energies in building capacity, infrastructure, promotional activities etc.

Coca-Cola, being 11 years older than Pepsi, has been dominating the scene in most of the soft drink market of the world and enjoying the leadership terms of the market share. But the Pepsi people are finding it hard to keep away Coca-Cola, which has been narrowing the gap regularly; the two are posing a threat for each other in every nook & corner of the market through beverage sales. Pepsi has a multi-product portfolio with a standard of its class. Countering its Pepsi has taken the baton in its own hands by floating an investment of \$95 million to set up PepsiCo India Holdings, a subsidiary for company's owned bottling operation (COBO). Both of the companies are following different paths to reach the same destiny i.e. to fetch the bigger portion of the aerated soft drink market in India.

Both the competitors have distinct vision and priorities about the Indian soft drink market. Though having so much difference and distance with each other, they both consider India as a huge potential market as per capita consumption here is more than 3 servings per year against an international average of 80. Throughout, they are putting their best efforts to woo the Indian consumer who has to work for 1.5 hours to buy a bottle of soft drink over for both the athletes running for getting for No.1 position.

Coca-Cola is well set with its 53 bottling sites throughout the country giving it an edge over competition by possessing a well-built manufacturing and distribution set

up on the other side of the picture, Pepsi, with two more years in India, has been able to set an image of a winner. These giants are ready to turn every stone of opportunity with a mindset of long tenure this time.

Pepsi is quite aggressive in its approach to the Indian consumer. They are desperately working in the strategy to be the winner side in the hot cola war between two big barons. According to Pepsi philosophy it's the madness that encourages executives to think to conjure up those creative tactics to knock the fizz out of their competition. Pepsi had

pumped a large amount on visibility of its blue-red-and-white logo. They have been going with aggressive marketing by putting Sachin Tendulkar and now Shahrukh Khan in their advertisement to endorse their brand, the role models for its targeted consumer the teenagers. They have increased the fizz in the market price by introducing the dispensers called fountain Pepsi and been enjoying a lead over its rival three.

ADVERTISING

Advertising is non-promotion of goods and services, by a sponsor (a firm or person) who can be identified and who had paid for this communication. This purpose of advertisement is to sell something a good service, idea person or place, either now or later this goal, reached by setting specific objective that can be expressed individual ads. Those are incorporated into an advertising campaign recall again from the buying decision process that buyers go through a series of stages from unawareness to target customers to the stage in the hierarchy say from awareness to interest.

Advertisement plays an important role in the success of Pepsi product. Advertisement is a key of implementing a strategy over one hundred year old to trigger desire as offer and in as many ways as possible.

Promotion Techniques

All advertisement expenditure is incurred by PepsiCo India, but only D.P. Board, wall painting, S.G.A.'s etc. Company spends on it around 8-9% total sales company invested 305 crore rupees in advertisement budget.

Radio.

T.V.

Hoardings.

Road signs.

Sticker.

Neon light.

METHODOLOGY



- **RESEARCH METHODOLOGY**
- **DATA ANALYSIS**

QUESTIONNAIRE

NAME OF THE SHOP/OUTLET: -----

ADDRESS/LOCATION : -----

TYPE OF OUTLET:

- (a)CONVENIENCE SHOP** ()
- (b)GROCERIES SHOP** ()
- (C)EATERIES** ()

Q1. WHICH BRAND OF SOFT DRINKS YOU DEAL IN

- (a)PEPSI** ()
- (b)COCA-COLA**
- (c)OTHER**
- (d)MIX**

Q2 WHICH BRAND OF COCA PROVIDES YOU BETTER FACILITY

- (a)PEPSI**
- (b)COCA-COLA**
- (C)BOTH**

Q3 HOW MANY CRATES OF PEPSI YOU SELL/DAY

- (a)1crate**
- (b)2 crate**
- (c) 3 crate**
- (d) more than 3**

Q4 which company's signage you have in your outlet

- (a)pepsi**
- (b) coca-cola**
- (c) both**
- (d) no signage**

Q5 which company's visi –cooler you have in your outlet

- (a)pepsi**
- (b)coca-cola**
- (c)both**
- (d)own**
- (e)mixed**

Q6 which medium effects the sales most

- (a) Television**
- (b) Magazines/newspaper**
- (c) Display**
- (d) Wall painting/hoardings**

Q7 Do you think that aggressive advertising further increase the sale volume ofpepsi

- (a) Yes**
- (b) No**

Q8 what kinds of promotional activities effect sales mostly

- (a)free bottle scheme**
- (b)prize**
- (c)Discount rate**

(d) other

Q9. Your recommendations for further sales mostly

Q10. Any suggestion for betterment of Pepsi.

RESEARCH METHODOLOGY

This research involved a study, which was descriptive as well as explorative in nature it basically aims at gathering data about how the Pepsi scheme playing in mind of shopkeepers consumer.

METHOD OF DATA COLLECTION

THERE ARE TWO TYPE OF DATA

1. Primary data

2. Secondary data

1. Primary data collection:-

Primary data can be collected by three methods.

(a) Observation

(b) Experiment

(c) Survey

But there, only surveys method of data collection is preferred which is very suitable to reach the researcher motto.

- **Research instrument:** Printed Questionnaire was used as the research instrument to collect the required information.

A. Area of surveys: The survey was conducted in different location of Gurgaon.

Sampling Plan: Sampling plan consists of:-

- **Sampling unit:** The retailer of grocery shop, general store, betal shop, and medicine store was selected from different place.
- **Sampling size:** 10 Outlet.
- **Sampling procedure:** Simple random sampling procedure was followed

- **Sampling method:** Data were collect by retailer survey. The retailer is directly contacted and interviewed at there retail counter.

(2) Secondary data collection:

As secondary data were not available with shopkeepers as wall as stockiest, so these were collected from Internet, Magazine and newspaper.

DATA ANALYSIS

DATA ARE COLLECTED FROM DIFFERENT LOCATION:

1: Sector 23 Gurgaon Market

2: Kapashera Market

3: Carterpuri Market

4: Sector 22 Gurgaon Market

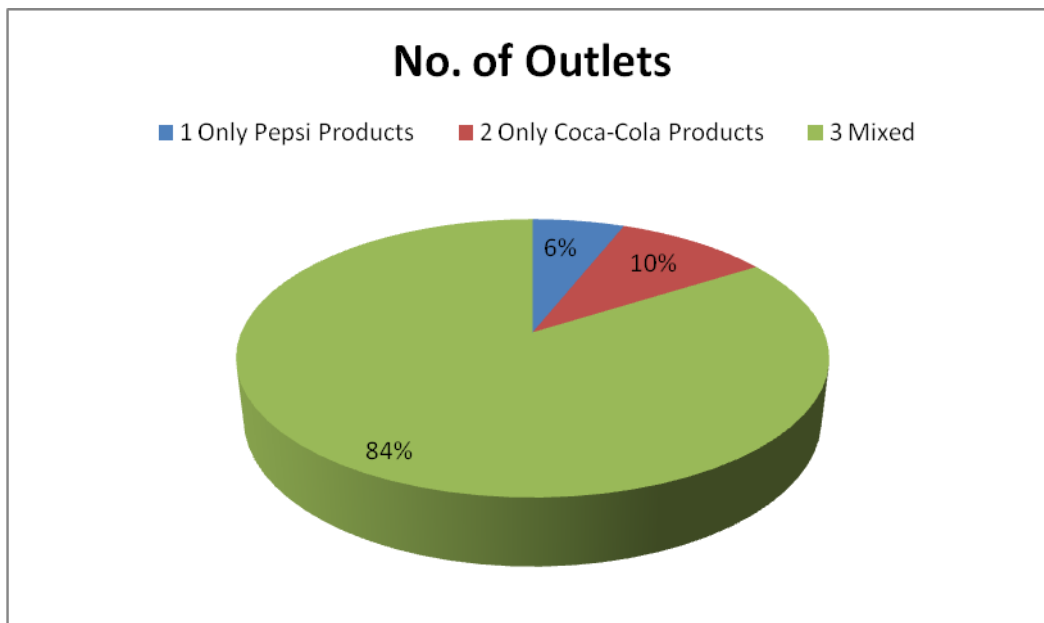
5: Dundhahera Market

SURVEY ANALYSIS

THE SURVEY ANALYSIS WAS CONDUCTED IN DIFFERENT LOCATIONS AND TOTAL SURVEY OF 10 OUTLETS WAS CONDUCTED.

OUTLET COMPOSITION

Sr. No.	Sales	No. of Outlets
1	Only Pepsi Products	6
2	Only Coca-Cola Products	9
3	Mixed	5

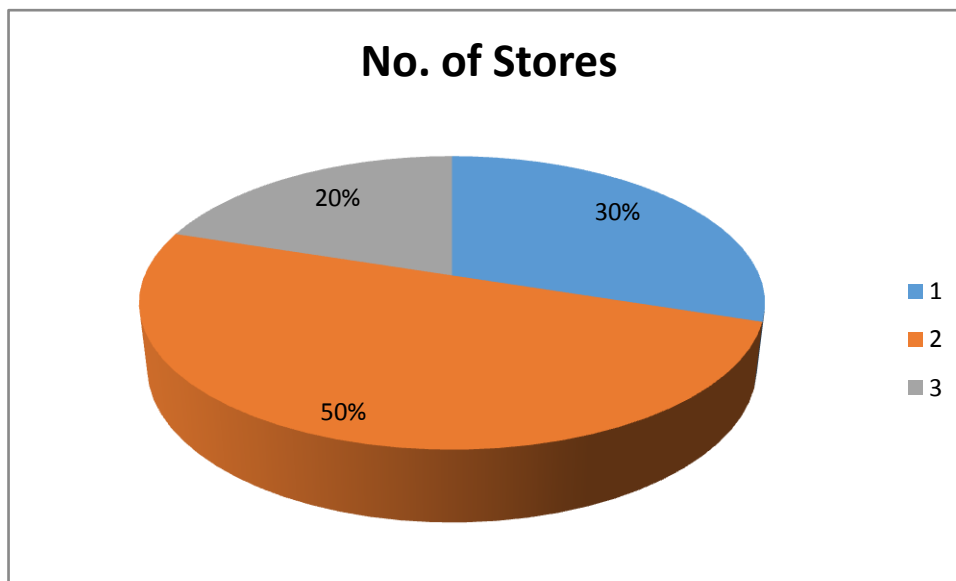


Interpretation : The exclusive stores of Coca-Cola is Comparatively much higher in comparison to the exclusive stores of Pepsi. The shops which sell products of other soft drink companies hold a large number .The market composition of the area under survey can be easily understood by the above graph.

DATA ANALYSIS & FINDINGS

Types of outlet

Sr. No.	Sales	No. of Outlets
1	Convenience shop	6
2	Groceries shop	10
3	Eaters	4

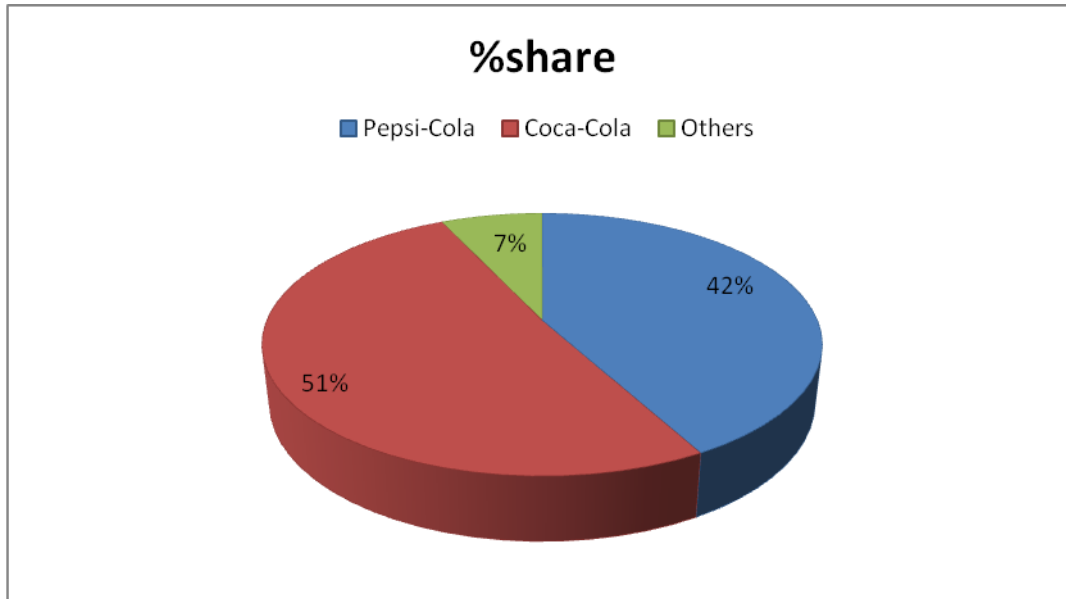


Interpretation : The maximum number of Outlets in the region surveyed is of convenience shops which includes kirana shops, departmental stores etc. it is followed by Groceries and then by eateries. The most striking features is that there is a great lag between the numbers

of different kinds of outlets. So the distributors should distribute the products segment wise accordingly.

MARKET SHARE

Product	% Share
Pepsi-Cola	42%
Coca-Cola	51%
Others	7%
Total	100%

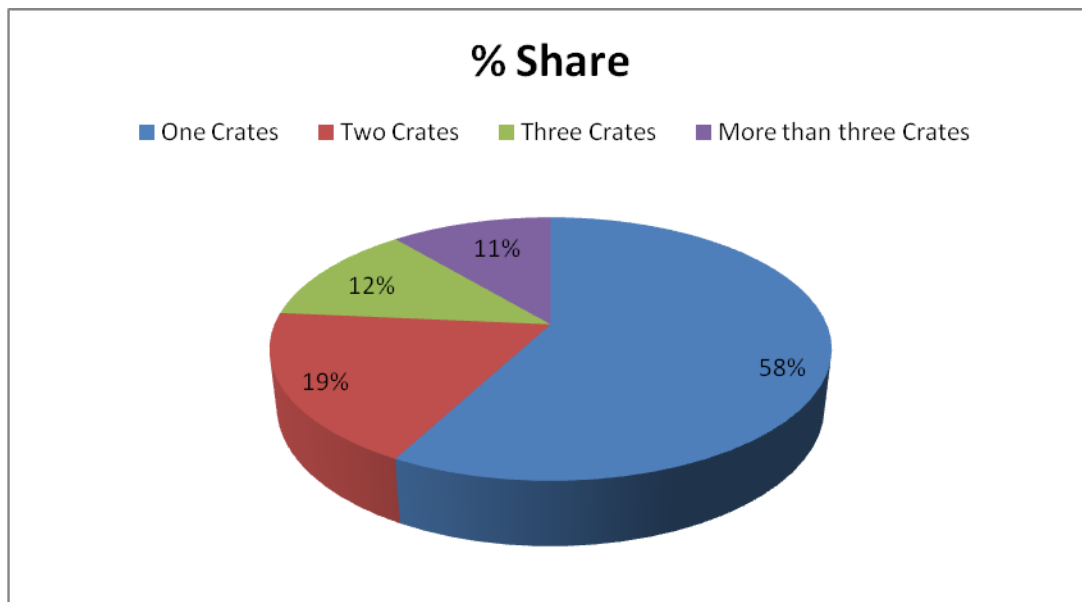


Interpretation : There is dominance of Coca-Cola in the soft drinks market. Pepsi is its chief competitor.

CREATE SALES PER DAY

Sales Per day	% Share
One Crates	57.78

Two Crates	18.67
Three Crates	12.44
More than three Crates	11.11
Total	100%

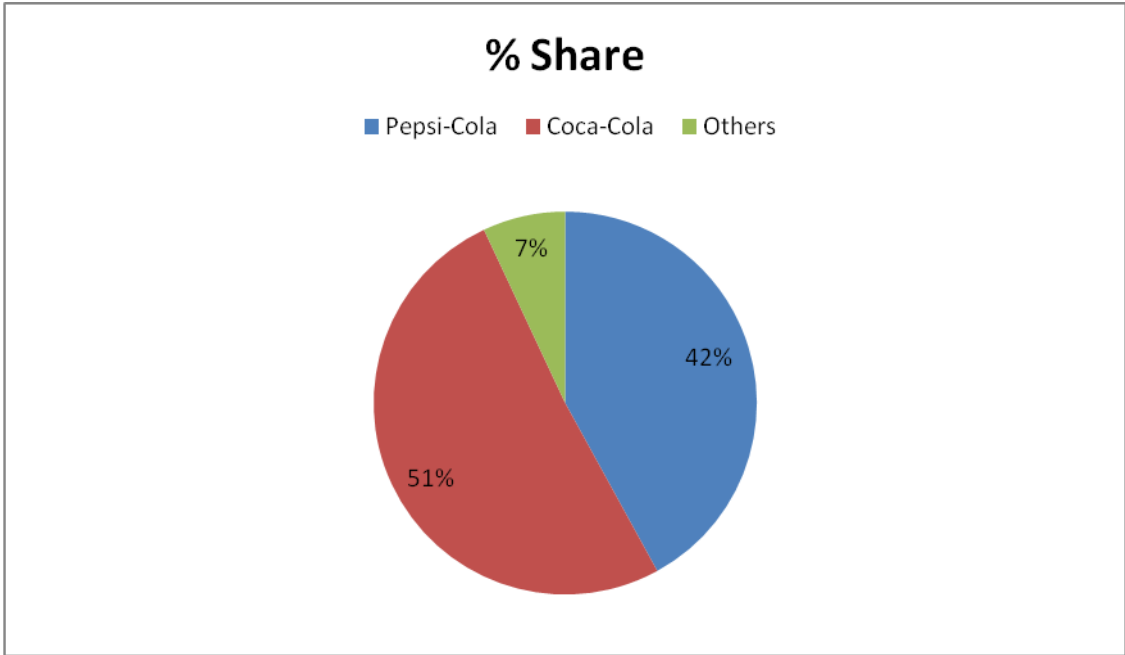


Interpretation : Huge amount of retailers sale 1 crate per day and goes on decreasing with increasing number of crates sales per day, which is clearly depicted by above graph.

PERCENTAGE SHARE OF CHILLING EQUIPMENT :

Product	% Share
Pepsi-Cola	42%

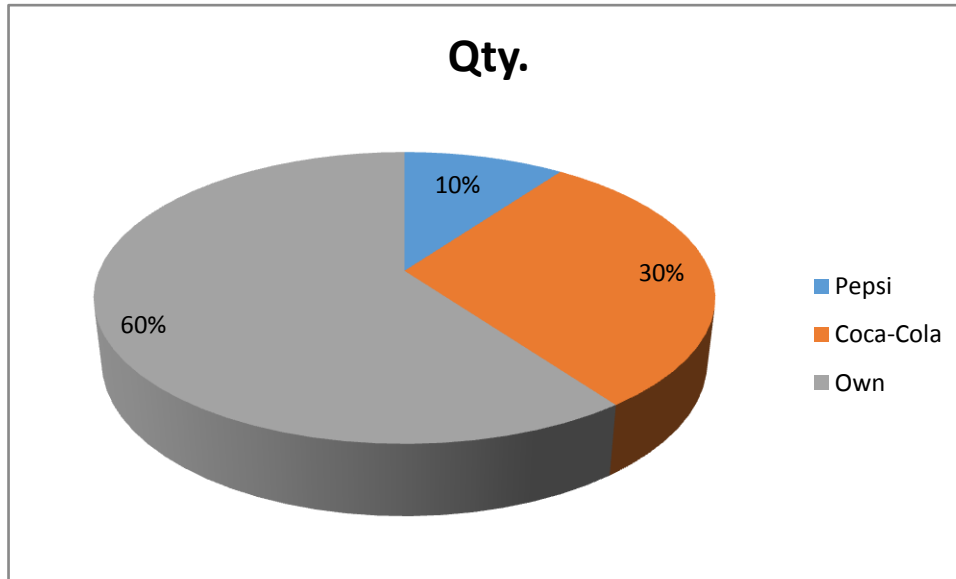
Coca-cola	51%
Others	7%
Totals	100%



COOLING EQUIPMENT

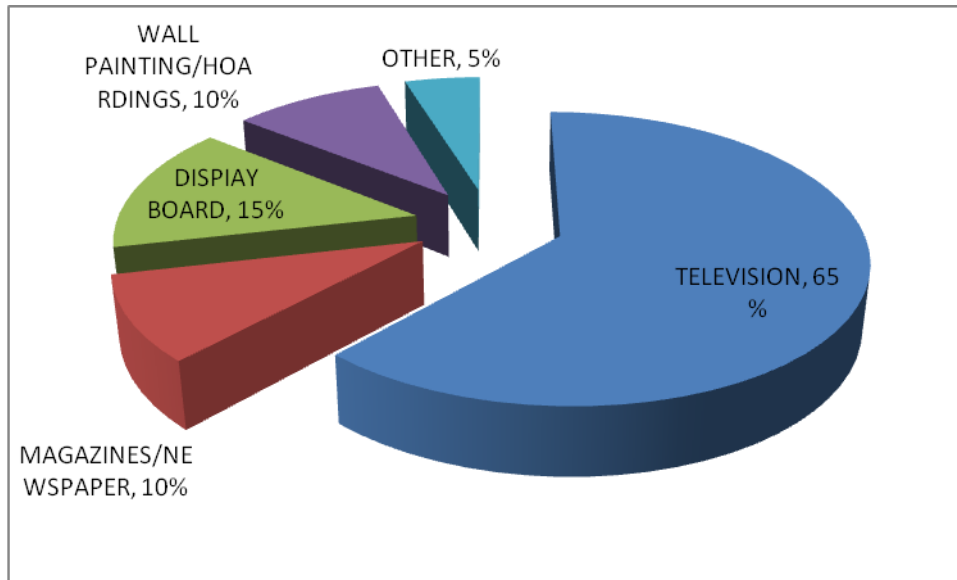
FRIDGE

Company	Qty.	%age
Pepsi	02	10
Coca-Cola	6	30
Own	12	60



SALES EFFECTING MEDIA

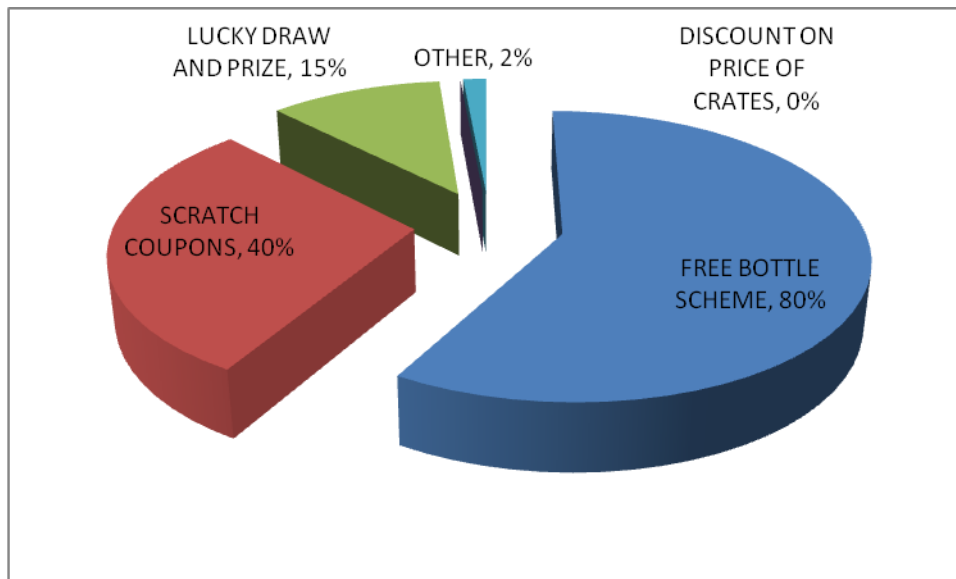
MEDIA	%AGE
TELEVISION	65%
MAGAZINES/NEWSPAPERS	10%
DISPLAY BOARD	15%
WALL PAINTINGES/HOLDING	10%
OTHER	5%



INTERPRETATION: A NUMBER OF RETAILERS AGREED THAT TELEVISION IS AN EFFECTIVE TOOL FOR ADVERTISEMENT OF THE PRODUCTS FOLLCWED BY DISPLAY BOARDS AND WALL PAINTING ETC. AS IS CLEARLY DEPICTED BY ABOVE GRAPH.

PROMOTIONAL ACTIVITY

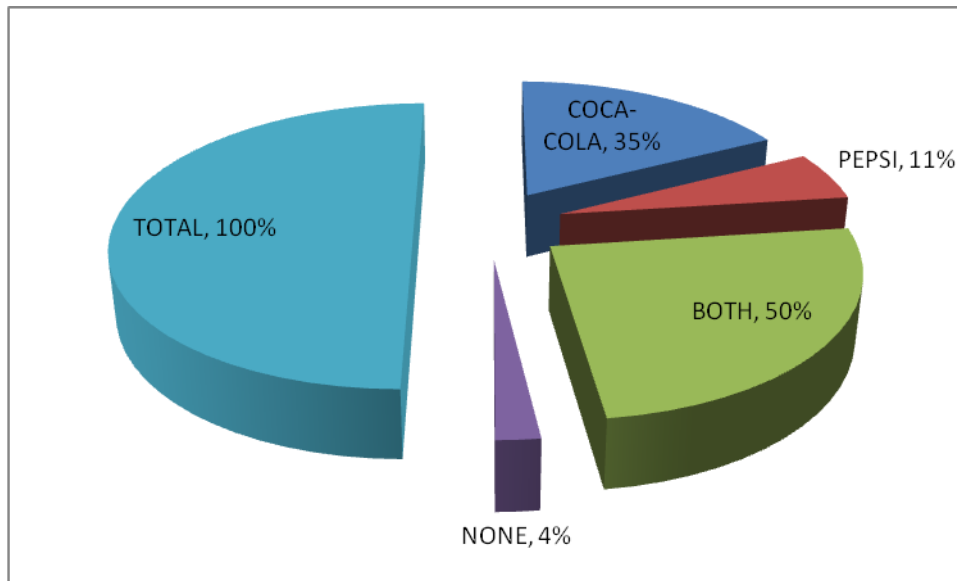
PROMOTIONAL ACTIVITIES	%AGE
FREE BOTTEL SCHEME	80%
SCRATCH COUPONS	40%
LUCKY DRAW AND COUPONS	15%
DISCOUNT ON PRICE OF CRATES	0%
OTHER	2%



INTERPRETATION: A NUMBER OF PROMOTIONAL ACTIVITIES WERE BEING RUN DURING THE PERIOD OF SURVEY BY THE COMPANY MAXIMUM RETAILERS DURING HAD OPTED FOR FREE BOTTLE SCHEME AND EVEN WERE IN FAVOUR OF IT.

AVAILABILITY OF SEGMENT

SEGMENT	%AGE
COCA-COLA	35%
PEPSI	11%
BOTH	50%
NONE	4%
TOTAL	1005



INTERPRETATION:-COCA –COLA HAS PROVIDED HUGE AMOUNT OF SIGNAGE TO THE RETAILERS AND PEPSI SEEMS TO LACK EVEN ON THIS GROUND, AS IS CLEARLY DEPICTED BY ABOVE GRAPH. THOUGH BOTH THE COMPANIES HAVE THEIR IN THE SAME OUTLET ON VARIOUS VENUES.

1.

CONCLUSION



- **CONCLUSION**
- **FINDINGS**
- **SUGGESTION**

CONCLUSION

EVERY THING IN THIS WORLD IS MADE TO UTILIZE PROPERLY BUT IT SHOULD BE REACH AT THE PROPER PERSON OR TO THE PROPER UTILIZED AREAS. OTHERWISE THE VALUE ADDED TO THOSE THINGH BECAME IN VEIN.

AS THERE IS PROVERB THAT,

“FAR FROM EYE, FAR FROM HEART”

THUS MARKETING ROLE PLAYS A VERY IMPORTANT ROLE IN ACHIEVING THE OBJECTIVE OF A COMPANY. UNDOUBTLY, VALUE UTILITY IS CREATED BY THE MANUFACTURE OF PRODUCT OR SERVICE BUT TIME AND PLACE UTILITIES ARE CREATED BY MARKETING ROLE. ACCORDING TO DRUCKER, “BOTH THE MARKET AND THE DISTRIBUTION CHANNELS ARE OFTEN MORE CRUCIAL THAN THE PRODUCT”. THEY ARE PRIMARY: THE PRODUCT IS SECONDRY. IN AN ECONOMY LIKE THAT OF INDIA, WHERE MARGINAL SHORTAGES CAN LEAD TO DISPROPORTATION DISTRIBUTION IN PRICES, A DEPENDABLE AND EFFICIENT DISTRIBUTION SYSTEM IS VERY MUCH ESSENTIAL.THE DISTRIBUTION SYSTEM CREATES A VALUE ADDED TO ALL MOST ALL PRODUCTS.

ALL FROM THE ABOVE STUDY NOT WITHSTANDING ITS RESTRUCTING EFFORTS COKE IS STILL FAR AWAY WITH ITS GREAT COMPETITOR LIKE PEPSI.

FINDING

- **THE MOST POPULAR FLAVOUR IN THE MARKET IS PEPSI.**
- **PEPSI IS MARKET LEADER AND COCA-COLA IS THE MARKET CHALLENGER IN THE WHOLE MARKET WHERE I HAVE SURVEYED.**
- **FROM THE PEPSICO PRODUCTS PEPSI AND THE COCA-COLA PRODUCTS THUMBS UP IS THE HIGHEST SELLING IN THE MARKET.**
- **PEPSI IS THE MARKET LEADER IN OVERALL MARKET.**
- **IN SOME AREAS LIKE KHATAN MARKET THE SUPPLY OF COCA-COLA IS BETTER THAN PEPSI.**
- **IN THE CASE OF MINERAL KINLEY IS SELLING MORE THAN AQUAFINA.**
- **I HAVE FOUND THAT A RETAILER GIVES MORE PREFERENCE TO THE PEPSICO PRODUCTS LIKE PEPSI, MOUNTAIN DEW, SLICE, MIRINDA, TROPICANA, 7UP.**
- **SALES HAVE INCREASED AFTER LOCATING VISI COOLER OUTSIDE OF OUTLET.**
- **THE COMPANY NEW CONCEPT PRE-SALE GOT THE GOOD RESPONSE MEANS THE CONCEPT OF PRE-SALE PREFERS BY THE RETAILERS.**
- **ACCORDING TO THIS SURVEY IN 80% OUTLETS PRE-SALE RESPONDED WELL WHILE IN 20% OUTLETS RESPONDS WAS LOW.**
- **THE NEW PRODUCT OF PEPSI, MINUTE MAID HAS A BIG FLOP IN THE SURVEYED CITY.**
- **THE COMPANY HAS INTRODUCED A 1.25 LTR PACK FOR THE LOWER CLASS FAMILY.**
- **THE STORE IS CATEGORISED ON THE BASIS OF THEIR, IT MEANS DIAMOND, GOLD, SILVER.**

- **IN THE CASE OF THE SCHEME COCA-COLA IS PROVIDING MORE SCHEMES THAN THE PEPSI.**
- **RETAILERS DO NOT GET THE COMPANY'S ACTUAL SCHEME.**
- **SOME AGENCIES MAKE FAKE BILLS BY WHICH THEY TRY TO EARN PROFIT WHILE IT IS ILLEGAL.**
- **PRODUCTS ARE SOLD OUT OF AREAS BY DISTRIBUTOR TO SAVE THE SCHEMES.**
- **IF RETAILERS COMPLAINTS REGARDING DISCOUNTING & TRADE SCHEME THAN HE IS NOT RESPONDED PROPERLY.**
- **DISTRIBUTORS HAVE NOT MAINTAINED PROPER STOCK SO THAT RETAILERS DO NOT GET ALL THE PRODUCTS BY WHICH SALE, DISCOUNTING & TRADE SCHEMES ARE EFFECTED.**
- **THERE IS COMMUNICATION GAP IN DISTRIBUTION CHANNEL SO RETAILERS ARE NOT GETTING ADVANTAGES OF DISCOUNTING & TRADE SCHEME.**
- **IN OFF SEASON, WHEN SALE OF COKE PRODUCTS IS REDUCED IN COMPARISON OF SEASON. THEN RETAILERS WANT MORE SCHEMES.**

Suggestions

The above study elicits the fact that sales department Should introduce some changes in its marketing activities to make it more rational.

1. As the most of the dealers have complaints that the salesman does not tell them about schemes. For this before launching any scheme company should advertise it by distributing pamphlets to the dealers mentioning the period of the scheme & time-to-time proper check is required.
2. Exclusive outlets are loosing because of irresponsible salesmen and their improper behavior.
3. Grievances of dealers & consumers often do not reach to the concern authority.
4. The number of visicooler & signage should be increased.
5. The number of vans should be increased so that total outlets, might be covered properly.
6. A healthy relationship should be developed by the company's executives with the dealers.
7. Company should develop policy, so that the soft drinks are made available at all the outlets during the peak seasons & not let the opportunity pass by.
8. Company Should make fridge available at maximum outlets, so the chilled soft drinks could be provided to the customers, because in the soft drink market brand loyalty fails if chilled soft drink is not made available to the customers in spite the customer goes in for any other brand, which is chilled.
9. New policy of the company should be introduced before the competitors launch those policies.

10. Hoardings bills & wall paintings should be display in the inner part of urban areas has more growth potential in terms of sales.