

Business Principles and Corporate Strategies of the Coca-Cola Company and PepsiCo, Inc.

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Abstract. Coca-Cola and PepsiCo are consumers' perception of brand awareness and brand loyalty, from taste, flavor, advertising these aspects of the survey, and to expand the introduction, found that Coca-Cola is more popular than PepsiCo, consumers perceive more value from the brand and other factors, etc., in addition to this, with the development of the times, the majority of the people are more and more Soft drink consumption is declining as people become more self-conscious about their personal health. When it comes to the beverage industry, Due to its distinctive recipe, lengthy history, and strict business practices, the Coca-Cola Company is without a doubt the market leader in the beverage sector. The Coca-Cola Company is prosperous. This paper combines the case study and qualitative analysis method through a comparative analysis of the research paper found that Pepsi's audience is mostly young people, Coca-Cola's base is larger and more long-lasting, but also more popular with the masses.

Keywords: Principle; strategic; The Coca-Cola Company; Pepsico.

1. Introduction

The Coca-Cola Company, founded in 1892 and headquartered in Atlanta, Georgia, USA, is the world's largest beverage manufacturer, accounting for 48% of the global market. The Coca-Cola Company is the world's largest juice beverage distributor, with 160 beverage brands in 200 countries, including soft drinks, sports drinks, dairy drinks, juices, teas, and coffees, ranking first in the United States, where Coca-Cola has a market share of more than 40%.

1.1. Literature review

With a 48% global market share, the largest beverage corporation in the world is The Coca-Cola Corporation, which was established in 1892 and has its headquarters in Atlanta, Georgia, in the United States. 160 beverage brands, including soft drinks, sports drinks, dairy drinks, juices, teas, and coffees, are owned by The Coca-Cola Company and distributed in 200 nations. It is the biggest distributor of juice beverages in the world.

The Coca-Cola Company is the largest distributor of juice drinks in the country, holding a market share of more than 40% in the United States, where it is the leading company. The Coca-Cola Company is prosperous, and its growth is ongoing and unstoppable. Leading international conglomerate PepsiCo is based in Westchester County, New York, in the United States. The largest maker and marketer of snack foods in the world, PepsiCo, and Frito-Lay merged to become this firm in 1965. Under the ticker code PEP, it is currently traded openly on the New York Stock Exchange. KFC, Pizza Hut, and Taco Bell were acquired by PepsiCo in 1977, but the corporation eventually spun off the three eateries to consolidate its beverage operations into a separate publicly traded company. In order to divide its beverage division into a separate publicly traded company, Yum Yum, PepsiCo acquired KFC, Pizza Hut, and Taco Bell in 2001. With a 25% market share in non-carbonated beverages, PepsiCo became the world's largest firm in the sector in 2001 after buying Quaker for \$13.4 billion. At the same time, it also acquired Gatorade. PepsiCo has 18 brands with yearly sales of more than \$1 billion and more than \$43 billion in total sales by 2008, serving more than 200 countries worldwide.

On August 6, 2009, PepsiCo acquired its 2 largest bottling plants in North America, Pepsi Bottling Group Inc. and Pepsi Americas, for \$7.8 billion, and the merged company will be named Pepsi Bottling North America (PepsiCo Bottling North America, PBNA). (PBNA).

The Pepsi brand enjoys a prominent place in and fruitful interactions with the consumer culture of young people. The brand association of Pepsi breaking through cravings allows more young people to find the brand connotation of positive self-realization, bringing a youthful, healthy and energetic lifestyle to Chinese consumers.

Nowadays, Pepsi and Ritz brands in China, with their trendy, new and personalized brand concepts, have become the representatives of young brands and have become an indispensable part of the growth of the young generation. Its purpose is to advocate a positive and progressive attitude and lifestyle.

2. The Coca-Cola Company's Business Principles

Continuously improve the quality of products if the quality of products cannot reach the satisfaction level of consumers, then the products will be eliminated by the market and abandoned by the consumers. The main reason why Coca-Cola Company is able to survive for a long time is that it attaches great importance to the quality of its products. The TCCQS system promoted by Coca-Cola in the global bottling plants a few days ago fully embodies this concept.

2.1. Continuous improvement of technology

From the 1990s to the present, the packaging of Coca-Cola has been improved “continuously, which is more and more attractive to the eyes of consumers.

2.2. High-quality after-sale service

In the hot summer, everyone wants to drink cool and refreshing beverages, and the Coca-Cola Company has fully realized this point, and it has equipped every sales point with a refrigerator, which enables consumers to drink cool and refreshing beverages.

In 2004, both the United States and the European Union focused on free markets and enforcement of antitrust laws. In establishing distribution channels, exclusivity contracts are often used to ensure that distributors carry only the supplier's products, provide them with the optimal space to promote the sale of their products, and make their products or services available to third parties by selling, leasing, or in any other way promoted to end users, in the dispute between Pepsi and Coca-Cola Due to unethical business activities in the distributor's exclusive dealing agreement with Coca-Cola, Pepsi was prohibited from engaging in customer competition.[1].

By 2005, advertising was a multibillion dollar sector with tens of thousands of workers and affecting the lives of billions of people worldwide. However, due to the current mixed state of advertising, even more competitive than ever before, companies can only differentiate themselves from their competitors by building stronger, more interesting and innovative advertising content and supporting a wide variety of campaigns. In order to stay at the heart of the industry, spending billions of dollars on marketing strategies such as Coca-Cola's [2].

A Strategic Approach to Consumer Brand Perceptions Based on Brand Loyalty and Awareness through 2019: The Erbil Coca-Cola. The two have always had a competitive relationship, so there would be a survey of consumer brand loyalty.

Comparative Analysis of Coca-Cola and Pepsi Brands In this study, customer opinions of Coca-Cola and Pepsi, two well-known Chinese beverage brands, were assessed for brand awareness and loyalty. In order to do this, the effect of consumer views of Pepsi and Coca-Cola was examined in order to associate consumers with these brands. The purpose of the study was multifaceted to research consumer preferences in order to demonstrate which brand's advertisements are seen by the majority, to justify the reasons for purchasing Coke or Pepsi beverages, and to assess the most important awareness of COCAKRI by providing information to the consumer Kat. A sample size of 50 beverage

consumers (Pepsi and Coca-Cola) was selected. Office 2010 was used to gather and analyze the data for Microsoft. The findings indicated that the majority of Pepsi and Coca-Cola provinces' consumers are interested in Coca-Cola and Coca-Cola; they enjoy Coca-Cola because of its strong flavor; and 60% of them indicated that they recall more advertisements for Coca-Cola than for Pepsi and other Coca-Cola. The entire research study of 90% of respondents to a survey by Coca-Cola and Pepsi stated that Coca-Cola was easily accessible to them and 70% responded that they enjoyed Coca-Cola because of its robust flavor. Brands in general, including Coca-Cola and Pepsi, need to concentrate on this point that consumers can assuring customers of the product's quality and other criteria (such as the best price, best value, availability, tendency, etc.) will help them see the brand as having more worth. This is because Coca-Cola is more well-known than Pepsi and suggests ideas like how brand loyalty is influenced by perception [3].

However, the demand for soft drinks decreased as people's concerns about their health increased. Coca-Cola has maintained its leading position for long years despite having a relatively small share of the soft drink market, while PepsiCo's profits have fallen. This essay compares and contrasts the IMC (integrated marketing communication) techniques employed by these two well-known soft drink companies, which have long been in a direct rivalry. It also examines the impact of target market specificity and logo design on brand recognition. The writers examine the two businesses' opposing positions in the beverage sector from their individual perspectives through in-depth study. Based on a number of marketing tactics connected to the markets, customer categories, and endorsements of PepsiCo and Coca-Cola, as well as prior studies, this paper concludes that there are some significant. Further investigation reveals disparities between the fundamental marketing strategies employed by the two businesses to advertise soft drinks. Additionally, a brief prediction of the future marketing strategies of Pepsi and Coca-Cola was created based on the data that was gathered, processed, and evaluated as well as the tendency of Pepsi and Coca-Cola selling better beverages. Future research is required, and it is anticipated that this research will help.

On the basis of this study report, additional follow-up research will be carried out in order to produce more precise and insightful findings or assessments [4].

3. PepsiCo Business Principles

3.1. Prevailing business tactics

We will construct PepsiCo's guiding principles in order to better comprehend the internal strategic motivations at the company. Larger business strategies are based on principles, and The SCs framework, which tools corporate managers use to direct the development of long-term company strategies, corporate managers use, is described by John Dudovskiy (2016).

Dudovskiy (2016) lists the following as PepsiCo's Strategic Competencies: 1) Unified Commercial Agenda; 2) Building New Capabilities; 3) Increasing Focus on Costs; 4) Creating an environment where collaboration is valued; and S) Practicing restraint when it comes to capital expenditures.

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To carry out PepsiCo's larger, grander plans, these principles direct Dudovskiy (2016) lists the following as PepsiCo's Strategic Competencies: 1) Unified Commercial Agenda; 2) Development of New Capabilities; 3) Heightened Cost Focus; 4) Promotion of a Collaborative Culture; and S) Exercise of Discipline with Regard to Capital Expenditures.

According to Laguarta's 2019 letter to investors, PepsiCo is on course to achieve its stated goals of becoming "great in the marketplace, great in (our) capabilities and talent, great for the sustenance of our planet and communities" (PepsiCo, 2020). These aims are in keeping with PepsiCo's mission, which is to lead the world in convenient foods and beverages by pursuing the goal (PepsiCo, n.a). Faster, Stronger, Better, a collection of "aspirations" that Laguarta uses to summarize the company's strategy, provides a framework for classifying PepsiCo's strategies. We shall discuss the tactics here as well as in the table below (PepsiCo, 2020).

FASTER: Accelerated new product invention and development, supply chain improvements, and creative advertising and marketing are short-term techniques to achieve longer-term goals. Strategies other than the faster goal. All of these strategies support the business's vision and get it both visibly and directly closer to its goal. Generic competitive advantage tactics benefit from faster techniques as well (PepsiCo, 2020).

STRONGER: PepsiCo wants to use data analytics to more precisely target emerging countries because it is already prominent and well-known in international markets. Along with implementing unified cost management regulations, developing stronger methods also entails continuously enhancing corporate culture.

Due to cost control practices, PepsiCo achieved savings of \$1 billion in 2019 and plans to keep this objective up until 2023 (PepsiCo, 2020). As PepsiCo broadens its reach and increases the effectiveness of its supply network, costs will be minimized (Ferguson, 2017). The Stronger tactics fall within the purview of PepsiCo's vision, although they mostly advance their goals through indirect methods.

In the domestic market, Coca-Cola's advantage has grown as Pepsi's market share in China's carbonated beverage market was only 25.4% in 2018 compared to Coca-Cola's over 70%. According to foresight, Coca-Cola has more advantages in terms of domestic partners, the development of the bottling industry, resource investment, channel coverage, the pace at which new products are launched, and other aspects, which means that Coca-Cola will obtain relatively more market and development opportunities in China [5].

PepsiCo's Better strategies outline the organization's goals and objectives as it moves toward its vision in both the long- and short-term. By making investments in the training and resources of farmers, they want to strengthen the local and global food systems. Better strategic goals are initiatives for environmental protection and conservation that are also consistent with PepsiCo's mission of achieving success through purpose (PepsiCo, 2020).

3.2. Assessment of Business Strategies

The large and intensive strategies of PepsiCo are described in full in the table below, along with the associated hierarchy of goals and strategy. The chart also shows how well each strategy fits with the goal and vision of PepsiCo and whether it contributes to the company's competitive advantage. The Tactics are also linked to viewpoints from balanced scorecards. Large and intensive tactics are still categorized using the Faster, Stronger, Better paradigm (Pearce & Robinson, 2015).

4. Coca-Cola's Corporate Strategy

4.1. The range 3A–4P

3A: "Customer-oriented" is the cornerstone of Coca-Cola's corporate strategy, and its specific market principles have a strip, that is, the 3A strategy - to let customers "buy"; "affordable"; "happy to buy". Coca-Cola's products are available customers can get them everywhere on the market for a low price, therefore if they can't afford them, the business won't thrive. Customers want to continue drinking Coca-Cola products because they love doing so.

Drinking them. 4P: i.e. "big red advertisement", the big red Coke signboards can be seen everywhere, attracting consumers' eyes; "desire products", letting consumers satisfy their desires; "honorable image", the image of the brand can be seen everywhere, and the company cannot survive if customers cannot afford it. Coca-Cola's marketing efforts have been well-recognized by consumers for a long time thanks to the upkeep of its brand image. With its "value for money" tagline, everyone can enjoy the great value that Coca-Cola offers because it is affordable for everyone to consume.

4.2. Market Strategy I - Winning by Surprise

When weight loss becomes a popular fashion all over the world, regardless of where they are from, their skin tone, or whether they are overweight or underweight, are yelling the slogan "losing weight" and other variations of it.

When dieting becomes a popular fashion all over the world, no matter in which country, no matter in which color, no matter fat or thin, women are shouting the slogan of dieting, and the high sugar and high calorie Coke is naturally rejected by them, no matter how attractive the taste of Coca-Cola is, so Coca-Cola seizes this kind of psychology of women, and develops a new type of Cola - low-calorie Coca-Cola, which is proved to be the first-class in the activity of test drink, its taste and bodybuilding function. In addition, in order to capture the male market, Coca-Cola made a series of advertisements mainly targeting at men, with the slogan of "A Taste Is Not as good as a Hundred Tastes", the theme of which was to publicize the taste of the drink rather than the calories it contained. The ads were a huge success.

With its unique flavor and special effects, low-calorie Coca-Cola seized most of the market as soon as it was launched.

Role marketing refers to a kind of marketing theory based on the new concept of relationship marketing, using new marketing media and organizations to satisfy role demands and create new role markets. It is essentially an extension and deepening of relationship marketing, and at the same time, it is effectively integrated with relationship marketing.

It is essentially an extension and deepening of relationship marketing, and at the same time effectively integrates network marketing and green marketing.

5. PepsiCo's corporate strategy

5.1. Message of the Year

The company's vision statement outlines PepsiCo's position in the worldwide market. As a result, the corporate vision statement of a corporation describes the path for organizational growth, expansion, and sustainability. The goal statement of PepsiCo states that it intends "to include sustainability into our company strategy in order to provide top-tier financial performance over the long term while having a good impact on society and the environment."

Together, PepsiCo's purpose and vision statements help the company dominate the worldwide market.

The three pillars of exceptional financial performance, sustainability, and corporate social responsibility are highlighted in PepsiCo's vision statement.

Additionally, there is a strong and unwavering commitment to corporate social responsibility, which helps communities, the aforementioned significant components are things in which PepsiCo takes great pride. This element significantly affects the organization's organizational development strategies and plans, particularly when it comes to stakeholders.

5.2. Mission Proclamation

A mission statement describes how a company will use streamlined and consolidated aim sets to achieve its stated objectives. The mission statement also provides true importance and a thoughtful analysis of how an organization's vision may be accomplished within a specific time frame. To "provide consumers around the world with delicious, affordable, convenient, and complementary foods and beverages, from healthy breakfasts to healthy and entertaining daytime snacks and beverages, to evening treats," reads PepsiCo's mission statement. This assertion emphasizes how readily available Pepsi products are. Additionally, it stands for the company's determination to use unique products to benefit everyone, especially the immediate consumers [6].

PepsiCo's mission statement is based on four fundamental principles: Customers everywhere, delicious, healthy, and enjoyable goods, affordable prices, and convenience are all factors. The main

features of PepsiCo's goods are described in its mission statement. In this sentence, "affordable" refers to PepsiCo's pricing structure. Additionally, the convenience store supports PepsiCo's positioning and marketing strategy for making its products widely available, demonstrating the company's market strategy. The mission statement claims that all consumers globally are the company's target market. Additionally, PepsiCo seeks to offer goods that will entice its expanding customer base [7].

Marketing Strategy of Pepsi

After identifying its market position, Pepsi then determines the appropriate marketing strategy to rapidly capture the youth-oriented target market to expand its market share.

1. Pricing strategy since the birth of Pepsi Cola vinegar, In the initial stage, cheap prices were used in an effort to corner the beverage industry with tight profit margins, but in the face of Coca-Cola's advantages in every way, the development of space in the years following World War II was not successful, Pepsi began to re-market positioning prudent, according to the market environment to pricing, to maintain the parallel with Coca-Cola in the price of the first-class soft drinks route, do not take the the method of vicious competition.

6. Promotion Strategy

Advertising and music and sports two-pronged marketing model, and the most important point of Pepsi's S W O T analysis of the advantages of the world-famous businesses have a broad reach, a strong brand advantage, a focus on talent development for the younger generation, many devoted customer groups, and a sizable target market.

This essay's goal is to investigate and criticize PepsiCo's strategic reporting analysis and evaluation in the beverage business. This comprises PepsiCo's internal and external analyses, marketing strategy, and the SWOT analysis technique in terms of value chain, resourcing, and 3-week analysis. The intricacies of PepsiCo's struggle with Coca-Cola as a competitor in the food and beverage industries are highlighted in the study. Section, even though Pepsi is a fiercely an aggressive brand that has been Coca-Cola is superior in terms of worldwide market share and expansion, it has nevertheless developed into one of the biggest cross-sector soft drink vendors in the world due to its widespread popularity and patronage among people of all ages. This strategy report cites dozens of resources. In conclusion, this paper analyzes the competitiveness of PepsiCo in the beverage and drink industry against its competitor Coca-Cola. The paper concludes by summarizing the recommendations of PepsiCo's decision makers at the corporate and How PepsiCo may manage the its marketing and product diversification have a strategic purpose initiatives across the limits of international markets to reinvent itself as a worldwide retailer and beverage company is a topic of discussion at the business level. Reinvent oneself as a global leader in the food and beverage sectors [8].

Consumers are very conscious and sensitive when choosing brands. This study investigates a comparative research on how advertising affects the performance of carbonated soft drink brands. In these competitive times, if there is one need that gives businesses a competitive advantage, it is the need for efficient and effective advertising. With so much money being spent on advertising, analyzing its impact is still crucial for companies, especially those involved in the collusion of soutenance to dominate the soft drink market, where advertising helps to differentiate their products from their competitors. This study examines the degree to which advertising affects consumers' purchase decisions, specifically in relation to Coca-Cola and PepsiCo advertisements on the performance of carbonated soft drinks. The methodology of the study, which included a poll of 400 participants, revealed that advertising has a beneficial effect on consumer spending in the Nigerian soft drinks market. Today, it has been established that maintaining customers' devotion to a company's goods is of paramount importance, and therefore, it must be sincerity of customers to a company's goods is crucial and therefore effective advertising methods such as brand equity must be developed to discourage brand disloyalty.

A survey was conducted by Big Star respondents influenced by the Coca-Cola and Pepsi advertisements [9].

Market segmentation is one of the most critical marketing tools that Xueco utilizes efficiently to secure a long-lasting competitive advantage in the fiercely contested global market. It aids in defining the market in light of consumer needs and preferences. Two of the world's relatively significant beverage firms, PepsiCo and Coca-Cola, are excellent illustrations of how successful market segmentation may contribute to greater and longer-lasting consumer retention and loyalty. However, there hasn't been much research on their market segmentation. By contrasting the segmentation tactics of the two companies, this research fills the gap. Both businesses employ demographic segmentation tactics, according to the study's findings. The advice in this paper is for both businesses to cooperate in order to grow their current market share rather than doing so independently. This article also offers some examples for other businesses to follow so that the two major beverage firms can reach as many people as possible, boosting market share and competitive edge, which will benefit both businesses [10].

Table 1. Relavent suggestion.

			improvement suggestion	
	Pepsi Cola	Coca Cola	Pepsi Cola	Coca Cola
Logo image	The new Pepsi Ballo logo symbolizes a spirit of keeping up with the times and is closely connected to consumers around the world	The text endows the brand with individual charm, and the artistic form is highly geometric and abstract role of the enterprise	The concept of "longing for infinity" should be more deeply rooted in people's hearts. The color of the logo can be combined with other colors, and the font can also be more vivid	The logo can be fine-tuned, personalized and more prominent, and there can be some changes in the font to make it more distinctive
Advertising style	Emphasize the younger generation, with passion and vitality	I have a prominent personality and a high positioning. Only Coca Cola is the true cola	Developing towards diversification and localization	Developing towards localization, strengthening team strength and achieving maximum innovation
Product characteristics	Compared to the other 1 Coca Cola, it specifically adopts blue color, mainly plastic bottles and cans	Coca Cola constantly tempts people with its unique red packaging and strong stimulation. Mainly plastic bottles, cans, and glass bottles	Packaging and bottle body can create a new three-dimensional image	The packaging material can take other forms, such as paper and the form can also be adjusted
Corporate philosophy	Long for infinity	Coca Cola Forever Only Coca Cola is the true cola "		

7. Conclusion

Pepsi continuously launches new products according to consumers' health condition to promote consumers' health development, or industrial diversification to increase market share from a single beverage. In some regions, Pepsi's market share is much higher than Coca-Cola's, and some areas are only less than 40% of Coca-Cola, so the areas with a small market share is a huge opportunity, from a global perspective. From a global perspective, Coca-Cola's market share is still higher than that of Pepsi, Pepsi is facing great pressure, Pepsi is targeting the young generation, so it can't Pepsi still needs to innovate to compete with Coca-Cola in other age groups. Development has lasted for a hundred years, and his rise has its own legend, Pepsi's accurate market positioning and the correct marketing strategy is an important way to his success, which has an important learning value for other enterprises (Table 1). Other enterprises have important learning value, before any enterprise enters the market, it is necessary to do a good job of their own market positioning to learn their own target market. Do not enter the market blindly from the marketing strategy, the enterprise should pick effective and cutting-edge marketing strategies to share their thoughts with customers.

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