

# A comparative analysis of pepsi and coke

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**Abstract:** This report is based on the market research conducted on the topic —Study on a comparative analysis of Pepsi and Coca-Cola.

As the customer are treated as king of today's business world so it's mandatory to see that our customer are satisfied. It begins with the introduction of Coca Cola and Pepsi companies of the soft drinks industry. The project report has been made interesting with the inclusion of topic, which covers advertising of the Coca Cola and Pepsi, Vision and Mission of these two companies, Competitors, SWOT Analysis and the Target Market of the two companies. The major players in the soft drinks industry in India are Coca Cola and Pepsi.

The study attempts to analyse and determine —To Measure the Brand Personality of Brands Coca Cola and Pepsil, and also find out the satisfaction level towards quality, service and price of Coca Cola and Pepsi. The research was purely based on the survey conducted in Vadodara. The sampling technique used was Non Probability convenience sampling.

The data was collected from secondary as well as primary sources. Secondary data collected from internet and website. Structure questionnaire was used to collect primary data. In the modern urban culture consumption of soft drinks particularly among younger generation has become very popular. Children of all ages and groups are especially attracted by the mere mention of the word soft drinks.

The main objective is to measure the brand personality of Coca Cola and Pepsi. And to measure the gender dimensions of brand personality of Coca Cola and Pepsi. And also to analyse and study in efficient way the current position of these two companies. The project was carried in Vadodara with sample size of 50 plus.

**Keywords:** Brand, Quality, Price, Influenced by Others, Advertising, Packaging, Customer Based Brand Equity Model Comparative analysis. Beverages industry,

## INTRODUCTION

### 1. Background :

The Cola war refers to Coca-Cola's and Pepsi's

mutually-targeted television advertising campaigns in the 1980s, which started with blind taste tests on consumers with the aim of testing whether people preferred one product over the other, and continued with the use of famous spokespersons in promotion of their products. Coca-Cola was founded by Pemberton in 1886 and Pepsi was founded by Celeb Bradham in 1898. Coca-Cola dominated on the market for years, and Pepsi was not a threat. However, when the market expanded and became more profitable, the role of professional advertising became crucial, these two multi-national soda producers have been leading the way in advertising ever since. However, they have taken two extremely different turns in their advertising, where Pepsi has turned more to celebrity endorsement, popular music and young people in their commercials, while Coca-Cola advocates tradition and nationalism, aiming at happiness and togetherness similar to that of their original approach. More precisely, Pepsi's strategy adduces the new and Coca-Cola's the old. However, television advertising is not exclusively used, but they also have unique product packaging.

### Comparative Analysis Between Coke and Pepsi:

The Cola war makes it possible for new edgy advertising techniques to be broadcasted in television commercials, and although the two companies use very different marketing strategies, they are both successful in selling their products. Interestingly enough, despite the fact that Pepsi has increased its sales four times quicker than that of its rival, Coca Cola remains the leading seller. The battle between these two will undoubtedly prolong the cola war, but at the same time bring forth new advertising techniques. The first way to distinguish between a can of coke and Pepsi is the brand colour. Cokes come in red cans, while Pepsi comes in blue cans. Though the drink has the same colour, the branding is always in the specified red and blue colours.

The tastes of both the drinks are distinct and it is easy to make out the difference. Pepsi is a little more sweet in taste than the coke. This is due to the addition of the artificial sweeteners to it. You will be able to make it right when you take a sip of the drink. The additions of the sweeteners leave a mild chemical taste after you drink it. Compared to Pepsi, coke does not have that chemical after taste owing to the less artificial sweeteners added. When you drink coke you feel more of that cola flavour in it, while with Pepsi, you get a fruity or fluid sort of taste. The carbonation levels of both the drinks also are different. It is higher in coke. So when you take the first sip of the coke, you get that fizzy effect. This frizz is less in Pepsi. The fizzy nature can be identified by the bubbles formed when you first open the bottle or just simply shake. It is more in the coke. And you do get that bubbly taste down your throat with a Pepsi. Coke is smoother. The bubbles disappear quickly as the fizz escapes from the coke.

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## 2. OBJECTIVE OF STUDIES

- To study the overview and present condition as well as various attributes which are played vital role on the perception between coca cola and Pepsi-Co.
- To study the overview of Pepsi and coca cola Company.
- To study consumer perception regarding to soft drink.
- To find out the differences between coca cola and Pepsi-Co in terms of perceived quality of brand choice.
- To identify the opinions of the consumers about the preference or choice of soft drinks from other brands.
- To find out the factors influencing the retail sales of soft drinks.
- To present relative positioning of Coke and Pepsi by the retailers.
- To find the age group of majority consumers, who

are preferring the particular brand of soft drinks.

## Literature review

The Global Carbonated Drink Industry was valued at 406.89 billion in 2020 and expected to grow at CAGR 5.1% amid 2021-2028 (Grandview research, 2023). The strong popularity of carbonated drinks first came to light when Coca Cola case study owns a portfolio of more than 3500 products expanded its operation in 200 countries. The buyers prefer carbonated drink as it offers to cool, have an acidic bite often produces a pleasant tingling. Along with it, carbonated drinks composed of fruit favour that promotes acceptance of these products even more. The battle between PepsiCo and Coca Cola didn't go slow in any way. By choosing the formula of the new beverage, product quality is improved that is typically based on sensory characteristics.

Consumer Advisory: Coca-Cola System Using Recycled Plastic (2021): An increasing amount of misinformation is being circulated regarding the Coca-Cola system and its use of recycled plastic. Consumers should be aware that the Coca-Cola system is using recycled content plastic in bottles produced for the U.S. marketplace. During the year 2000, we expect to produce several billion PET plastic bottles made with post-consumer recycled content. The system has been the primary user of recycled plastic packaging in the U.S. soft-drink industry for the past 2 years, and we anticipate that our use of recycled content plastic will significantly expand over time.

Coca-Cola cuts prices, Pepsi may follow suit (2021): Coming at a time when most packaged consumer goods brands have increased prices, the move is being seen as one which will help brand Coke shore up its market share. "Coke as a brand has not been able to garner the same kind of volume growth when compared to its other cola brand Thums Up and rival Pepsi. The price reduction, coupled with good marketing and advertising, could help them prop up sales," said Gautam Duggad, research analyst, Prabhudas Lilladher

Coca Cola reports 16% volume growth in India (2020): This Analyses It further said, worldwide brand Coca Cola volume grew 3 per cent for the full year, with growth across diverse markets, including India up 33 per cent, Thailand (31 per cent), Russia (20 per cent), the Philippines (8 per cent), Brazil (3 per cent) and Mexico (3 per cent).

The Coca-Cola Company Expands 5by20 Women's Economic Empowerment Initiative Commenting (2019): In this Paper explains the company's performance Muhtar Kent, Chairman and Chief Executive Officer, Coca-Cola Company said: "In a year marked by continued uncertainty in the global economy, we delivered solid volume, revenue and profit growth, and we realised further volume and value share gains in non-alcoholic ready-to-drink beverages

The Coca-Cola Company Joins (RED) to Help Eliminate AIDS (2022): This Paper has examined CRM was directly affected by knowledge management (KM) and that to customer knowledge management. Soft skills of humans such as change management, knowledge sharing, and team collaboration were the main barriers in information system implementation.

Brand Personality of two beverages categories – 2015 By Johan H. Liang, Wai Jin J. Lee and Ian Phau: This study focuses on the 42 traits of brand personality (Aaker 1997) of six drinks brands spanning across two drink segments – fizzy drink and mineral water, and measure the congruity of the brands personalities (five dimensions) to the consumer (drinker) of those brands. A number of implications for businesses will be discussed, suggestions for future research are reviewed and the main contributions of the study will also be delineated.

A study on Brand Personality of Coca Cola and Pepsi Prior researches on brand personality have shown that consumers develop relationships with brands and often anthropomorphize inanimate products. Coca Cola and Pepsi are two leading soft drink brands in India occupying 95% of the soft drink market. With low, almost negligible, functional benefits of soft drinks and no differentiation in taste, colour or price of the two brands, marketers have to cash in on the self-expressive value of their products. This study is comparatively evaluated personality perceptions of the two brands for young Indian consumers.

The Concepts and Definitions of Brand: According to Kapferer (2004), brand as a name that influences buyers. He further notes that brand command people's attention because they have element of saliency, differentiability, intensity and trust. Successful brand conveys a consistent message and create an emotional bond with consumers.

Consumer brand Preferences: The consumer market amounts to a total of 6.3 billion people, and thus there

is great demand for an enormous variety of goods and services, especially as consumers differ from one another in that of age, gender, income, education level, and tastes. Moreover, the relationships between different consumers, as well as their contact with other elements of the world surroundings, affect their choice of products, services, and companies (Kotler and Keller, 2006).

Brand Equity : As pointed out by Aaker (1991, p.24) brand equity is among the few strategic assets available to the companies that provide a long-lasting competitive advantage to the company. Brand equity constitutes the assets and the liabilities that is link to a particular brand, like name, or logo. It comprises of brand loyalty, brand awareness, brand association, brand assets, and perceived quality. Creating strong, favorable and unique brand association is a real challenge for markets but it is essential in building strong brand. Strong brands typically have firmly established strong, favorable and unique brand association with customer (Aaker, 1991, p.25)

Brand Loyalty: According to Keller (1998, p.54) brand loyalty is often ascribe to a behavioral sense through the number of repeat purchases, it entails consumer sticking with the brand and reject the overture of competitors. Strong brand equity holds consumer loyalty because consumer values the brand on the basis of what it is and what it represents. Brand loyalty is attributed to brand image and brand equity. It is also worth noting that brand commitment is the substantial expression of brand preference and brand loyalty.

Perceived Quality: Perceived quality of brand is defined as the consumer's judgment about a brand's overall excellence or superiority with respect to its intended purpose, relative to alternatives 17 (Zeithaml, 1988; Aaker and Jacobson, 1994). Perceived quality is believed to be a type of association warranting elevation to the status of a separate dimension of a brand's equity (Pappu and Quester, 2006). The customers will have a subjective satisfaction at the comprehensive quality or recognition level against the product or service offering under such brand which is perceived quality (Hu et al., 2010)

## METHODOLOGY

### 3. Research Design:

Research design is descriptive research because it is Depends on the new findings.

**Data collection Method**

Secondary data – literature reviews secondary data, or information that has previously been gathered and examined by another party, can help researchers save both time and money.

Secondary data may be found in business records, trade journals, libraries etc.

Primary Data – Google questionnaire data that are first acquired are referred to as primary data. By framing questionnaires, primary data is gathered. both closed-ended and open-ended question were included in the survey. answers to open-ended question must be provided in the respondent’s own words. Google form is the basis for the questionnaire.

**Sampling Method**

There are two sampling methods available. Probability and Non-Probability. But here we use the Probability Method. In this Method consider the Data of Retailers and Consumers. So many consumers cannot give their biased data.

**Populations:**

Target population- The target audience for retailer and customer of Vadodara city and visit various restaurant, fast foods joint, clubs, arcades by vehicle

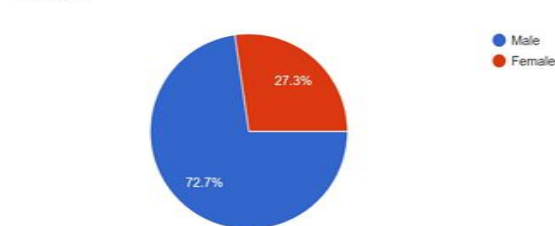
**Sampling Frame**

This research descriptive research because it depends on new Findings. Retailer groups were chosen as respondents for the study. This research involved a study which was descriptive as well as explorative in nature. It basically aims at gathering data about retailer preference of the Coke and pepsi.

Sampling Area: Selected area in Vadodara city

Sample Size: 50 or above customer responses as a

Gender



sample size

Sampling Technique: Comparative

Duration of research: 45days

Method of Analysis: Simple Random Sampling

**4. Need for the study:**

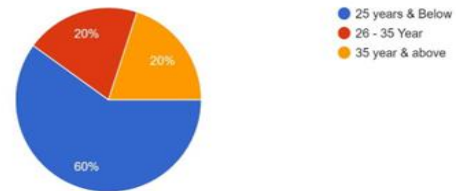
The main aim for this research study is to analysis which brand (Pepsi Vs Coke) sales are high in the market and to find the market leader in soft drinks.

**5. Data (Questionnaire) :**

TABLE 1: GENDER

Gender can significantly influence individuals’ A COMPRATIVE ANALYSIS OF PEPSI AND COKE

Which age group you belong to  
55 responses

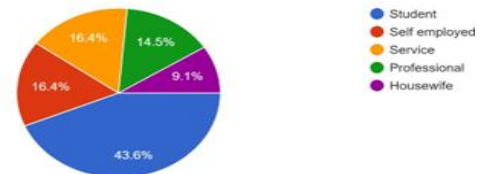


**Interpretation**

- . 72.7% of the respondent are male
- . 27.3% of the respondent are female

TABLE 2: AGE

Occupation  
55 responses

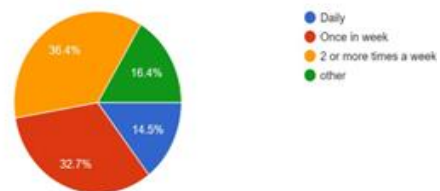


**Interpretation**

- 60% of the respondents are between the age group of 25 years & below
- 20% of the respondents are between the age group of 26-35 years.
- 20% of the respondents are from the age group of 35 year & above.

TABLE 3: OCCUPATION

2. How many times do you buy soft drinks  
55 responses



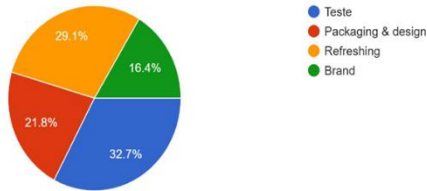
**Interpretation**

- 43.6% of the respondent are students
- 16.4% of the respondent are self employed

- 16.4% of the respondent are services
- 14.5% of the respondent are professional
- 9.1% of the respondent are housewife

TABLE 4: PREFERNCE TO THE BRAND

3. Why do you prefer this product  
55 responses

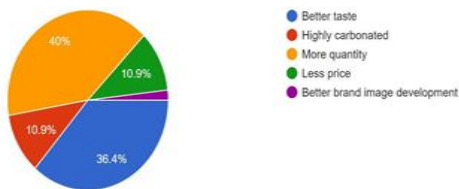


Interpretation

- 49.1% of respondent are consume Pepsi
- 36.4% of respondent are consume to coke
- 14.5% of respondent are consume other drink

TABLE 5: FREQUENCY OF CONSUMPTION IN A WEEK

11. What sort of improvement you would like to have?  
55 responses

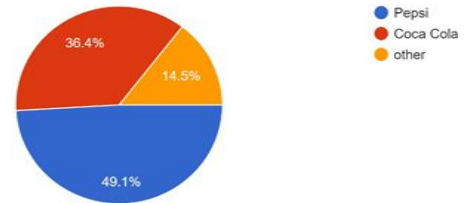


Interpretation

- 36.4% Most of the respondents consume soft drink on 2 or more times a week.
- 32.7% are respondents consume soft drink on once in week.
- 16.4% are respondents are people consume other drink.
- 14.5% are respondents are consume soft drink in daily.

TABLE 6: WHY DO YOU PREFER SOFT DRINK

1. Which soft drink do you usually consume  
55 responses

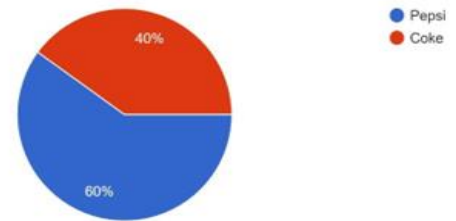


Interpretation

- 32.7% are respondent prefer for teste.
- 29.1% are respondent prefer for refreshing.
- 21.8% are respondent prefer for packaging & design.
- 16.4% are respondent prefer for brand

TABLE 7: WHICH ADVERTISEMENT DO YOU THINK IS MORE ATTRACTIVE

10. Which brand having the innovative & exciting offers?  
55 responses

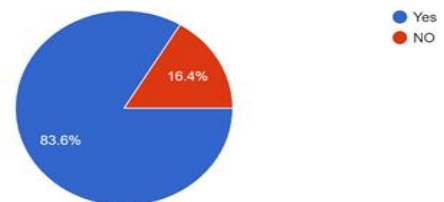


Interpretation

- 52.7% of the respondent are coke
- 47.3% of the respondent are pepsi.

TABLE 8: MARKETING STRATEGIES OF A COMPANY AFFECTS ITS SALES

7. Are the marketing strategies of a company affects its sales?  
55 responses

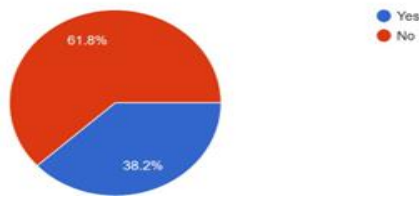


Interpretation

- 83.6% of the responses choosing yes.
- 16.4% of the responses choosing no.

TABLE 9: WILL YOU CHANGE THE BRAND ON THE BASIS REDUCTION

8. Will you change the brand on the basis reduction?  
55 responses

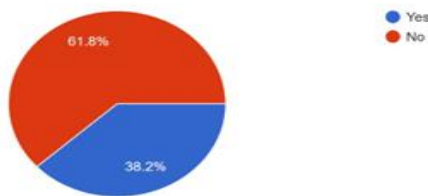


Interpretation

- 61.8% of the responses yes change the brand of basis reduction
- 38.2% of the responses no change the brand of basis reduction.

TABLE 10: INNOVATIVE AND EXITING OFFERS

8. Will you change the brand on the basis reduction?  
55 responses



Interpretation

- 60% of the responses choosing pepsi
- 40% of the responses choosing coke.

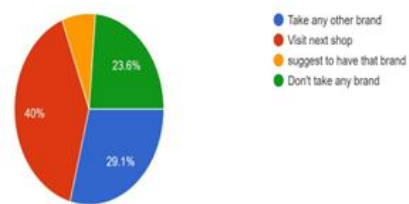
TABLE 11: what sort of improvement you would like to have

Interpretation

- 40% of the responses suggestion to improvement of more quantity
- 36.4% of the responses suggestion to improvement of better taste
- 10.9% of the responses suggestion to improvement of highly carbonated
- 10.9% of the responses suggest to improvement of less price.

TABLE 12:

12. If your desired soft drink (Pepsi/coke) is not available then would you prefer other brand drink?  
55 responses



Interpretation

- 40% major of the responses visit to next shop
- 29.1% of the responses select to take any other brand
- 23.6% of the responses don't take any brand
- 7.3% of the responses suggest to have that brand

6. RESULT & FINDINGS

On the basis of that research we find that in case of beverages people are much influenced by taste rather than Advertisements and other things.

It is found that most of the people like Pepsi drinks. we come to know that Young generation is the biggest consumer of cold drinks than any other.

By this research we analyse that male prefer cola drinks, while female prefer soft drinks. Frequency of consume to cold drinks is higher of male than female. It is found that Pepsi is most preferable product in the soft drink which is available in the market Celebrity plays a vital role for consuming coke.

It is found that Television came out to be more effective for aid campaigns as respondent to all age groups who watch television.

It is also found that majority of the consumers are of below age 25.

7. LIMITATION OF THE STUDY

It was our 1st research project so due to curiosity we put our whole heart on this project. But still there are certain limitations while doing the research work. Some of the limitations are as follows.

One of the biggest limitations with this project work is the time factor. As we did our project in Vadodara city which is not well known to us So it become difficult to conduct survey in Vadodara.

The sample size of 55 respondents is too small to find out the consumer perception. Because we both were covering Pepsi & Coke both.

There might have been tendencies among the respondents to amplifying or filter their responses under the testing.

in some cases, the respondent was not giving us the proper reply. He/she might think that this is only wastage of time or this might create some problem etc. And as a result he/she has given some fake answers and fills the questionnaire very casually.

The area of study is limited and confined to certain limitation.

It is possible that some potential source might have remained untapped.

Since the result has been drawn on the basis of the information provided by the respondents therefore there is a chance of error.

The questioners were in English so many people were avoiding filling the questioners.

## 8. CONCLUSION

After the completion of Project we have seen the different aspects of this project. also we have gained some new experience about the consumer research while surveying we have met a large number people, with different perceptions with different nature and as a result of this we have learnt a lot of things like how to talk with the different people with different behaviour. We have benefited a lot and this will definitely help us a lot in the future.

After surveying the 50 or more respondents if we compare the data pepsi has an edge over coke.

Pepsi has less market share due to its sweeter taste than other beverages brand and most of the people are in favour of strong taste.

Genral stores sell more soft drinks rather than other stores.

People really are more healty conscious still they believe soft drinks contains pesticides.

Younger youth prefer more strong drinks & small age of group prefer like Mazza, slice and fruity. Soft drinks become trends among friends,

The advertisement of Pepsi is good which influence the purchasing behaviour of consumers.

T.V has more impact to get update people about the Pepsi and brands

The Company employees should make direct contact with the consumers.

Distributors should be convinced to pass the incentives to the retailers so that they are motivated

to promote this brand.

Try to increase the margin.

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