Investigate How Coco-Cola and Pepsi Built Global Bandwagon effect.

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Abstract

It is estimated that this coca cola and pepsi drink is served more than one thousand million times in a day. Equally oblivious to the historic value of his actionswas Frank Ix. Robinson, his partner and book keeper. Pemberton & Robinson laid the firstfoundation of this beverage when an average nine drinks per day to begin with, upping volumesas sales grew.

 In 1894, coca cola and pepsi this beverage got into bottle, courtesy a candy merchant from Mississippi.

India‟s per capita consumption of cold drinks of coca cola and pepsi as going by
survey results is rock bottom, less than over Neighbors Pakistan & Bangladesh, where it is four times as much. Behind the hype, in an effort invisible to consumer Pepsi pumps in Rs 3000 corers (1994) to add muscle to its infrastructure in bottling and distribution.

In coca cola and Pepsi is already market leader and in certain cities like Gorakhpur, Pepsi outlets are on one side & all the other colas put together on the other. While Coca Cola executive

scruff at Pepsi"s claims as well as targets,

industry observers are of the view that Pepsi has definitely stolen a march over its competitor Coca Cola.

Apart from numbers, coca cola and Pepsi has madequalitative gains. The foremost is its image. This image turnaround is no small achievements,considering that since it was established in 1989,

Introduction

The exit of Coca cola left a large vacuum in the soft drink market. But this also accelerated the growth of several Indian soft drinks.

Many new soft drinks like Frooti, Jump-in etc. were launched in the form of Tetra pack. However the bottling plants and the distribution networks of these companies were not up to the mark and left much to be desired. It took these companies almost one year to come up with new flavors like Campa cola, Rush etc. to survive in the industry.

Soon the soft drink industry started registering phenomenal Growth rates and all parley products namely Gold Spot, Limca and Thumps-Up became the brand leaders in their own segments. In spite of this the soft drink market had a huge untapped potential.

In 1990, coming of the multinational brand Pepsi and immediately started givingstiff competition to Parley and Coca Cola. The parent company of Pepsi was founded in 1890at North Carolina in USA. Its CEO is Roger Enrico. Pepsi Co. India Holdings Pvt. Ltd. In head quartered in Gurgaon and Gorakhpur

its CEO is Ms. Indra Nyui. In India it has 34 bottling plants of which 8 are company owned bottling outlets (COBO) and 26 are franchise owned bottling outlet

Objective of study

- To study the overview of Pepsi & Coca Cola Company

- To know and compare the merchandising of Pepsi and Coca Cola.

- To study about the consumer preference with regard to soft drink. To study about the consumer perception with regard to Pepsi & Coca Cola. To find out the medium which is most effective in reaching the consumers.

- To find out the market plan of the company over the competitor. To find out the medium which is most effective reaching the consumers

Methodology

Primary Data

Primary data is collected from the respondent through a structured questionnaire. It includes the first hand information from the respondent. It can view as a survey. The questionnaire was especially designed to find out Comparison between Pepsi & Coca Cola. Through this information

we can get the strengths and weaknesses of Pepsi and Coca Cola Companies in those particular areas.

Investigator personally went to every respondent and asked the total details,which   are   in   the   questionnaire and filled those questionnaires. In the survey the investigator learned a lot and collected the useful information and also got good experience in the market field and came to know many things which are not in our books through   surveys

Secondary Data

Secondary sources include the information collected from the annual reports, published and published records of the company. Various books and journals were referred. Internet

also being used for collecting the relevant data which is not available in the books. After gatheringthe data from those two sources the data was analyze and

Research Design:

The sales of Coco-cola and pepsi seems to be more dependent on the
number of units they sell rather than the quantity of Coca
Cola they sell. There are barely any customers who buy the
1500ml Coca-Cola bottles, most of this generation's
customers stick to buying Coca Cola as per their cravings,

like a one-time thing, where they purchase it for that
moment's satisfaction and are always willing to cand repurchase it when they
crave for it again.

In a way, we can say that the millennia want the maximum marginal that they
can derive from a product. That is the driving force,
to get the most satisfaction out of one unit of the product.

Hypotheses:

Based on your research question, develop specific hypotheses. These might be:

H1: Consumers who drink Pepsi are more likely to experience the 'bandwagon' effect compared to those who drink Coca-Cola.

H2: The frequency of Pepsi consumption is positively correlated with the intensity of the 'bandwagon effect.

Variables:

Independent Variables: Pepsi consumption, Coca-Cola consumption

Dependent Variable: Occurrence or intensity of the "bangdawon" effect

Sampling

The sampling distribution strategy we have used is sampling for the channel distribution of the mean .The reason we have to choose the sampling for this method.

Because it takes all the possible means of random effect that straregy of samples of the given sample of the population in which it's the 100 in our case.

When we used this method we were able to cover aspects of the central limits of the theorem.

Since the sample size is 100, the curve will be more like a normal for all the distribution curve irrespective of the shape of the parent population . The parent population, in this case, would be the young and the middle ages people.

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As the sample size remain 100th we didn't need worry about the binomial distributions beginning to assume the characteristics of the normal distribution.

The management and being in the rebellious age the millenniums are currently residing in, it is a big driving factor. The samples have been collected in such a way that it was only distributed to the millenniums who drink coca- cola.

We have used probability sampling and under this, the technique we have adapted is the stratified sample

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Data analysis of coca cola and Pepsi

The above chart shows that in Pepsi, Current ratio is decreasing in year 2010 as compared to year 2009. In year 2011 also the Current ratio is decreasing as compared to year 2010. In 2012 only the Current ratio is increased. This is due to increase in current assets in year 2012 as compared to year 2011. In coca cola India Ltd, current ratio is higher than Pepsi

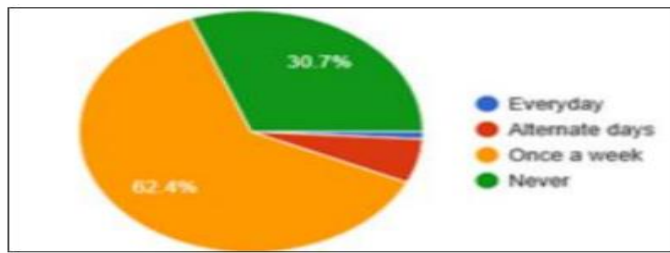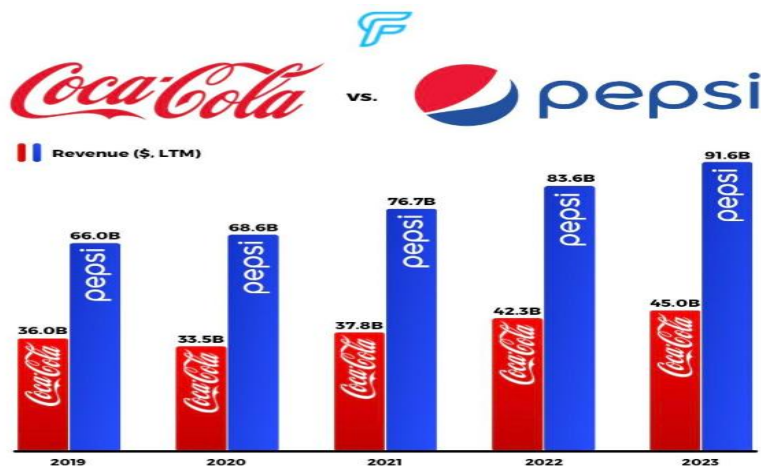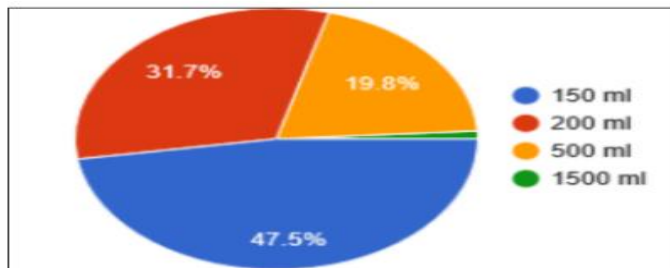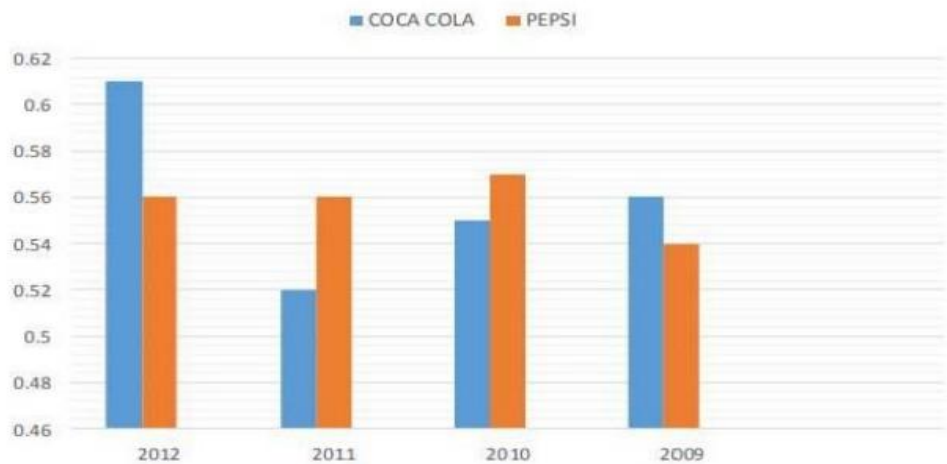| Table4.1: Which brand of soft drinks do you prefer?			
	Frequency	Percent	Percentage
Coca-Cola	63	40.1	40.1
Pepsi	80	51.0	51.0
Other	14	8.9	8.9
Total	157	100.0	100.0

Figure: 4.1

Fig 1

INTERPRETATION

The above chart shows that in Pepsi, Current ratio is decreasing in year 2010 as compared to year 2009. In year 2011 also the Current ratio is decreasing as compared to year 2010. In 2012 only the Current ratio is increased. This is due to increase in current assets in year 2012 as compared to year 2011. In coca cola India Ltd, current ratio is higher than Pepsi in 2012 due to the more

2) **QUICK RATIO**
Quick Ratio= Current Assets- Investment
Current Liabilities

Under the brand name of coke Thumps up is market leader with 28% market share and Fanta is second largest with 23% market share.

The population between 12- 30 year prefer the cola products, while population above to 50 and below 12 prefer soft drinks, and population prefer both in Tricity. Only 38%

population only influenced by advertisement, rest 62% populations that

Advertisements are not much effective.45% population are loyal to words there product. 54% population beliefs there cold drink have pesticide up to some extent.

Instead of that they are using cold drinks.77% of population is being influenced by taste only, while 10 % population by Advertisements

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54% population beliefs there cold drink have pesticide up to some extent. Instead of that they are using cold drinks.

Research finding

The market research we conducted had 150 respondents in total out of which 50 respondents had to be removed as they did not give proper answers and so it could not be used to be
a part of our analysis.

Through this research, we have understood that coke has become like Indians
62.4% of the consumers drink Coca Cola at least once a week but the downside of this is that 30.7% have never drunk Coca- Cola or it's rarely on various occasions that they consume coke.

There is approximately 8% of our target sample that consumes Coco- cola on a daily or alternate day basis.

The sales of Coco-cola seems to be more dependent on the number of units they sell rather than the quantity of Coca Cola they sell. There are barely any customers who buy the 1500ml Coca-Cola bottles, most of this generation's
customers stick to buying Coca Cola as per their cravings, it's moment's satisfaction and are always willing to come back and repurchase it when they crave for it again.

By combining all the beverage verities we come to know that Thumps up is the market leader with 14 % total market share while Pepsi is the second highest market leader with 13% market share

4% population beliefs there cold drink have pesticide up to some extent. Instead of that they are using cold drinks.77% of population is being influenced by taste only, while 10 % population by Advertisements

Recommendation

While with the 46 % market share Pepsi is on the second step. If we are analyzing properly then we find Pepsi is small product portfolio than coke, which is responsible for its second position.

Pepsi should increase its product portfolio to capture the Coke's market share

Companies should focus on the taste of the product because 77% population is influenced by taste only. Young generation is the potential consumer so companies should more focus on them.

As we find that 40 % population consumes 200ml cold drinks. Which comes in glass bottles, these bottles are being retuned back for refilling to companies?

Which is incurred again cost of re-transportation. If company start to supply 200 ml cold drink sin pet bottles (plastic bottles) it will be good for company because 40% of population is using only 200ml.

Limitations

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 Tricity which is not well known to us So it become difficult to conduct survey in Tricity.

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 resulthe/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

After the completion of project we have seen the different aspects of this
Project.

Conclusion

We have benefited a lot and this willed finitely help us a lot in the future. Also the outcome that came out from this research work is that
in Tricity coke is the market leader with 54% market share. Pepsi is having only 46% market share.

We come to know that Pepsi is the leading brand of Pepsi co. with 29% market share of its total market share and Thums up is the leading brand of coke with28% market share of itself T h r o u g h

preference to choosing the   product and one more important factor that below 12 years and above to 50yearspeople like the soft drinks while people between 12- 30 year prefer cola drink

Reference

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