For over the past considerable number of decades, the Coca-Cola and Pepsi companies have been the two leading and competing companies as far as the selling of beverages are concerned. In respect to this, the two companies have been on each others throat in as far as the control of markets is concerned. The present situation has been that each of the two companies have been competing in a bid to outshine the other by gaining the largest market share in the beverage market its annual value ranging at over 30 billion dollars. This paper is going to explore ranging fight that the two companies have engaged in by critically analyzing their marketing campaigns. Though both companies have been inventing new ideas and products in an effort to boost their shares in the beverage market each year, the effectiveness and creativity of the marketing strategies that each of the two companies employs stands out to be the ultimate determiner of who will emerge the winner in respect to profits sales and consumers loyalty.

Both Coca-cola and Pepsi companies have employed a wide variety of campaigns in their competition to gain more shares in the beverage market, some of common ones being sports sponsorship and mass media (Hitt, 2009). For the Coca-Cola Company the two most popular advertisement campaigns that in respect to its history have boosted its sales have been the ‘Holidays are Coming’ Campaigns and the sports sponsorship. Making use of the media the Holidays are Coming advertisement campaign which has been in use for quite a long time now features a convoy of delivery trucks, bearing the Coca-Cola name. The trucks which are lighted with electric bulbs all over drive through snowy landscapes lighting up everything they come across including people. The advert has always been associated with charismas as it sets in the charismas spirit hence it in some way it marks the beginning of charismas. The advert was intended to ensure that everybody on earth took Coca-Cola as their favorite drink by creating the impression that it lights up life especially during the winter season. However, this advertisement campaign has been criticized on the argument that it is solely based centrally in the Southern parts of the U.S especially in Atlanta, where Coke bears it origin.

The other advertisement campaign is the featuring of Coca-Cola as the official sponsor of some of the popular sporting activities in the global world. These sporting activities range from athletic, soccer, basket ball, hockey, baseball among other sports. Perhaps the most popular sporting activities that has enabled Coca-Cola to market it product is soccer. Since 1978 Coca-Cola has been the official sponsor of the FIFA World cup and other soccer competitions that it organizes. Coca-Cola is also known as the official sponsor of the football League in England, a title for the three professional football qualifiers below the English Premier League. By targeting the sports arena, Coca-Cola is assured of gaining access to a large number of Sports fans regardless of their age or race since sports is a field that attacks the largest number of the world’s population

Coca-Cola has not been the only company that has derived its success from the sports arena. Other competing beverage companies taking Pepsi for our case have also utilized this field in grabbing their share in the beverage market. For instance, just recently, Pepsi announced its launching of its integrated digital ad campaign with Microsoft in celebration of the 2010 football summer (Hitt, 2009). The campaign which will run for 14 markets globally targets international football fanatics. The campaign features contents from eight of the international soccer stars including Drogba, Messi, Kaka, and Arshavin among others. With a move like this, Pepsi will be able to reach quite a large number of the world’s population especially the youth who are great soccer fanatics. In the media, Pepsi has been recently partnering with TV networks that it deems popular and has been placing commercials strategically in order to try and improve their relationship with its audience (Hitt, 2009).
The key common ideology that links all of the above sets of advertisement campaigns together is that they are made as part of both of the companies’ agenda to fetch a good market share in the beverage market. In respect to this, the strategies that each of the companies utilizes in order to achieve their common goal now becomes the underlying issue. Each company has been busying itself inventing ideas and new product to outshine the other in their harvesting of market shares. But who ever that will emerge the champion is the one who will employ the most effective and creative marketing strategies in terms of profits, sales and the loyalty of the customer. Though the goals of the two companies are similar the companies utilizes marketing strategies that are somehow different (Hitt, 2009).

Initially Pepsi had always outshined Coke in their development of new products, however coke learnt some of its secrets and started applying the same. In addition to the hiring of highly qualified marketing executives, coke also introduced a cross training for its management in order to avoid the formation of cliques within the company. Pepsi on the other hand being a risk taker rapidly reacted to this by creating a culture of developing new ideas in advertisement every now and then. Finding of new markets in the foreign world has become a new strategy for both companies. But Coke in this field has emerged s the most successful. For instance the barter system that Pepsi had tied to introduce in Eastern Europe became a big failure. How ever in other directly comparable countries Pepsi has emerged victorious over coke.

The concept of offering products that satisfy the consumer’s requirements as a marketing strategy in foreign regions has also been an area that both companies have tried much to exploit. For example, the introduction of Pepsi Max in some countries was in response to consumer’s requirement of a drink with low sugars since a diet image or taste was not available for them (Hitt, 2009). The development of new products to attract more shares has seen some of the products from these companies fail while other has been successful. For instance the introduction of ‘New Coke’ the original formula proved a total failure since consumers protested for the return of the ‘Classic Coke.” But Pepsi tops with the number of failures in products such as, Pepsi free, Crystal, Light and Pepsi AM.

For both Coke and Pepsi companies, the increment in the number of consumers for their products, enhancing their creativity in its achievement list. Here the Coca-Cola Company has recently been using a single word to describe their target market, every one. The argument has been that Coke is a popular beverage having been around since Coca-Cola-Classic times to the present. This makes it recognizable by every one regardless of age, religion, race or financial status (Hitt, 2009). Since its customer loyalty is great, the only thing remaining is to draw back some of its customers that its competitors has taken. Through their campaigns Coke intends to formulate different media advertisements that will capture audiences from every age category. For the youngers, exciting and funny advertisements full of enticing colors and cartoons. For the youth the company intends to make TV commercials and other advertisements that will promote the drinking of Coke instead of liquor in parties hence show them that they can still have their fun and a good time in the absence of liquor. For adults and the elderly Coke intends to take them back into time having witnessed many of their adverts in their life time. This will be through recreating some of the adverts that used to be there in the past. The sense here is that seeing things from their early times (with the Coca-Cola-Classics in mind) will bring warm and good feelings to them (Hitt, 2009).

Pepsi on the other hand mostly targets the young adults especially students between the ages of 14 years to 30. This group is mostly comprised of young people preferably students in Universities, colleges and high school. For instance, the newly integrated digital campaign with Microsoft will
mostly be targeted at the young generation as most of the people who have the huge craving for soccer have been identified to lie in this group. Being part of the campaign will therefore give Pepsi a point of contact in accessing this young generation. But due to their wide variety of products we are also justified to say that PepsiCo targets people of all ages though it has not specifically reverberated on this.

The commercials that both companies have been utilizing have proved to be somehow effective since both of the companies have managed to get a reasonable number of consumers on their side. The advertisement strategies that the Coca-Cola Company intends to use to get to people of all ages might turn out to be very effective. The commercials and advertisements intended to utilize funny and interesting advertisements that will use enticing colors to get to children could be very effective (Hitt, 2009). Children are much attracted to flashy colors and funny items that will appeal to their interests. Capturing the interest of children at a tender age promises that these kids will convert to being their customers in adulthood since they learn to identify with the brand when young. On the part of the adults and the elderly the strategy might also work since coming up with commercials that take the audience back to their youth or childhood surely creates some sentiments that will help these consumers identify with these products. But the strategy that might some time to be realized is convincing the youth that they can have fun in the absence of liquor (Hitt, 2009). In the present age liquor companies have maximized on the connection between liquor and having a good time such that the youth who are mostly affected with this have almost fully internalized it.

In respect to the arguments that both companies make towards one another, rivalry has always existed in trying to determine which product is preferred to the other by the consumers. The Pepsi challenge is one of the activities that had clearly demonstrated this rivalry in the 1970s. Pepsi in this Pepsi challenge has been organizing ‘blind taste test’ to determine which brand between Coca-Cola and Pepsi contains less orange, more lemon oil as well as makes use of vanillin instead of vanilla. These tests have always been aimed at coke as the results are always that customers prefer Pepsi to Coke. This is one project that had made Pepsis sales rise at a very high rate. This is what gave rise to the Cola Wars. In 1985 Coke retaliated to these accusations by coming up with a new formula, New Coke. However this resulted to a total failure as customers demanded back the Coca-Cola Classic hence it had to be reintroduced (Hitt, 2009).

According to the 2008 report by Beverage Digest on soft drinks which are carbonated, Coca-Cola outserves Pepsi in terms of demographics since its market shares range at 42.2% while Pepsi ranges at 30.8%. In most of regions in U.S Coca-Cola outsells Pepsi except for some parts like Utah, North Dakota and Appalachia. In New York, and Buffalo Pepsi outshines Coca-Cola in sale by a ratio of two is to one. Internationally Coca-Cola outsells Pepsi all across the globe. The only exceptions are Saudi Arabia, Pakistan, India Guatemala, the Dominican Republic and Canadian provinces. In relation to demographics across different ages both products compare fairly when it comes to the consumption by children consumption. This also applies to the youth taking into consideration that both Poke and Pepsi have been identified to be popular drinks among students from Universities, Colleges all through to High School. However when it comes to adults and the older generation, Coca-Cola becomes more popular and hence out sells Pepsi.

Works Cited