War Of The Fizz

That's right the cola battles are on. In fact they never stopped. After all, what would the world of marketing be without a good ol' Coca-Cola v/s Pepsi tussle?

While on a market visit in rural UP towards the end of 2010, the Coca-Cola India & South West Asia, president, Anil Singh observed that there were pockets with intermittent or no electricity connectivity, which meant that selling the beverage chilled was a task. While the aesthetic coolers were already there—freezers specially designed and developed for the places where power shutdown is for longer duration up to 30 hrs—the bigger issue was selling chilled cola in areas with no supply of electricity. The brief was given to the technical team and cola coolers were commissioned, that have been piloted in rural Agrah for now. While the coolers solar power could help the rickety shop remain open much longer even after dark; in addition it had a mobile charging unit, which led to many sales. Result: sales went up nearly 5 times in the areas where this concept was tested. This bottom-up innovation—once rolled out on a large scale—is likely to be exported to other markets also. Innovation has been something that the cola brands have been trying to incorporate in a very big way—be it in distribution or packaging or formulation or in the branding.

The year has been particularly a good one for Coca-Cola. In Brand Equity’s Most Trusted Brands survey 2011 Coca-Cola has moved up from 21st position overall rank in MTR 2010 to 11th position this year. In the beverage (cold) category, it has emerged as the winner followed by Thums Up (overall 24, last year 25), Mirinda (overall 19, last year 56), Pepsi (overall 21, last year 15 and 7 up overall 20, last year 52) as the Top 5 players. Necessarily the top two brands in the category are from the Coke stable, with rival Pepsi taking the next three places. Exclusively Anupama Ahluwalia, VP—marketing, Coca-Cola India & SWA elaborates on the brand Coca-Cola’s performance for the year. “The focus has been on building brand love through our brand campaigns, undertaking relevant social causes and campaigns to help build an enduring social component into the brand and create unique brand properties like Coca Studio.” Some of their marketing initiatives like the ‘Shadow’ campaign, the ‘breathable bottle’ campaign, the ‘Brrr’ campaign were integrated with on ground activations to create buzz. For instance the ‘Shadow’ campaign was first released to consumers on mobile phones and 40,000 people downloaded and got an exclusive preview of the campaign before it hit mass media.

The carbonated drinks market touted to be worth nearly 81,000 crores of which nearly 70,000 crores is the cola segment has been among the most active battlegrounds for marketers. Be it the global behemoths like Coca-Cola and Pepsi or the Indian born big daddy Thums Up, all are vying constantly for the consumer’s wallet share through a slew of marketing initiatives across mediums. Brand Equity’s Most Trusted Brands 2011 has revealed some interesting findings: for instance in Vizag, Thums Up is the most trusted brand overall but is not doing as well in Trivandrum. Pepsi does reasonably well in many markets but has a lot of catching up to do in Bhopal.

While Coca-Cola trails behind in Vizag and Trivandrum, it boosts its score on the overall tally. This is what Pepsi’s marketing director, Deepika Warrier has to say on Pepsi trailing the other two cola brands: “We do not agree with the ratings of the Most Trusted Brands 2011 study. Pepsi had an outstanding year in 2011 with the pioneering ‘The Change the Game’ World Cup campaign, and we feel it has been the most recalled and trusted brand in the category as per many studies. Brand Pepsi has continued to gain equal momentum with campaigns during the IPL, and the recently launched campaign in partnership with KPL.

Interestingly, many years ago, when Coca-Cola had entered the market with its acquisition of Thums Up, the brand somehow got a franchise slowly, with a focus on the trade and its emphasis on whole distribution. The company knew that distribution and reach was going to be the most important driver in a market that is diverse and difficult to reach. Coca-Cola got its ground set together and then started on its advertising blitz that outmatched every campaign that got thrown its way by Pepsi. zeigen Harshil Bhiwandis CEO, “in many ways Coca-Cola bettered what Pepsi had started in India. Coca-Cola did not have to invest in seeding the generic cola story and lifestyle. Pepsi had to do a very very hard, core campaign and caught every strategy with its own unique take on everything around. The rest is history.” And history keeps getting re-written all the time. So far this year, the cola brands have faced an uphill battle in the ‘crown prince’ category. Yet again, Pepsi is leading the charts. For instance, a culture- and branding specialist feels that the cola category needs to be worried about social corruption, that this category will come under fire for too much sugar, too many empty calories and being too addictive in terms of young minds unable to take their feet off the pedal of consumption. Now that is food for thought, no!

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