

1 Consumer Preference Coca Cola versus Pepsi-Cola

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6 Abstract

7 This study is conducted between two global giants Coca Cola Pepsi-cola. This research paper
8 is basically a comparative study of two well known competitors in beverage industry of
9 Pakistan which are Pepsi Cola Coca Cola. The primary purpose of this paper is to find out
10 which company is leading the market. This research required us to conduct the consumer
11 research on why they chose the drink. To find out the factors reasons that influence to choose
12 their preferred drink.

13

14 **Index terms**— Giants, Comparative, Competitors, Leading,
15 Introduction & Literature Review he world's soft drinks market is totally subject by just two players: -Coke
16 & Pepsi. Coke, 'The genuine thing' other than a century old was born eleven years more on of its competitor
17 & a century later on, still maintains the original lead. Pepsi, 'The challenger', even now poses as the hurried,
18 young upstart & is struggle the cola was as the drink for the younger age group.

19 The tale of Coke was 1st geared up by pharmacist John Styth Pemberton in 1886. at first, the drink was
20 introduced in Atlanta, Georgia, & was sell for five cents. In 1886, sales of Coke averaged 9 drinks per day. In
21 1891, Atlanta entrepreneur Asa G C&ler acquire entire ownership of the Coke business & in 1919; The Coca
22 Cola alliance was sold to a set of investor for twenty five million. In the history 112 years, Coke has surrounded
23 itself into American society. In 1994, the American consumption was further than 773 million helping of Coke,
24 diet Coke Sprite, Fanta, & other foodstuffs of The Coca Cola Company. [1] The [2] In the year 1984 with a
25 move to merge core businesses, PepsiCo was restructured to focus on its 3 businesses: soft drinks, snack foods
26 & restaurants. Transportation & sporting cargo businesses were sold off. At current, Pepsi-Cola products are
27 offered in nearly 150 countries & territory all over the world. Snack foods operations are in 10 inter-national
28 markets. At present, Pepsi-Cola is a \$22 billion company with approximately 140,000 employees worldwide.

29 In 1886, when Atlanta & Fulton County approved prevention legislation, Pemberton responded by increasing
30 Coca Cola, basically a non alcoholic edition of French Wine Coca. [3] The 1st sales were at Jacob's Pharmacy in
31 Atlanta, on May 8, 1886. [4] It was at the begin sold as a patent medicine for five cents a glass at soda fountain,
32 which is well liked in the United States at the occasion due to the trust that carbonated water was fine for the
33 fitness. Pemberton claims Coca Cola cure many diseases, comprise morphine addiction, impotence, dyspepsia,
34 headache, & neurasthenia In 1888, 3 versions of Coca Cola sold by 3 part businesses were on the market. Asa
35 Griggs C&ler obtain a stake in Pemberton's corporation in 1887 & integrated it as the Coca Cola business in
36 1888. The similar year, while suffering from an constant habit to morphine, [6] Pemberton sold the rights a 2nd
37 time to 4 extra businessmen: J.C. Mayfield, A.O. Murphy, C.O. Mullahy & E.H. Bloodworth. In the meantime,
38 Pemberton's alcoholic sons Charley Pemberton start selling his personal story of the manufactured goods.

39 In 1892 C&ler integrated a second company, The Coca Cola Company, & in 1910 C&ler had the earliest report
40 of the company burn, further obscuring its lawful origins. By the position of its 50th anniversary, the drink had
41 reached the position of a nationwide icon in the USA. In 1935, it was expert kosher by Rabbi Tobias Geffen,
42 later than the company made tiny changes in the sourcing of some ingredients. [7] On April 23, 1985, Coca Cola,
43 among lot publicity, attempted to modify the method of the drink with "New Coke". Follow-up taste test showing
44 that the majority consumers favored the taste of New Coke together Coke & Pepsi, but Coca Cola administration
45 was not ready for the public's wistfulness for the older drink, leading to a criticism. The company gave in to
46 protests & returned to a difference of the old formula, below the name "Coca Cola Classic" on 10 July, 1985.

2 CONCLUSION

47 On 7th February, 2005, the Coca Cola Company publicize that in the 2nd quarter of 2005 they designed to
48 start a Diet Coke product sugared with the artificial sweetener sucralose, the similar stimulus at present use in
49 Pepsi One. On 21 March, 2005, it announces 1 more diet product, Coca Cola Zero, sweetened to a certain extent
50 with a mix of aspartame & acesulfame potassium. In 2007, Coca Cola begin to put up for sale a innovative
51 "healthy soda" Diet Coke with vitamins B12, niacin, magnesium, and B6, plus zinc, marketed as "Diet Coke
52 Plus."

53 In November 2009, due to a clash over general prices of Coca Cola products, Costco closed restocking its shelves
54 with Coke & Diet Coke, However, some Costco locations (like the ones in Tucson, Arizona sell imported Coca
55 Cola from Mexico. [8] In 1903, Bradham motivated the bottling of Pepsi-Cola from the drugstore to a borrowed
56 storehouse. This year, Bradham sold 7,968 gallons of syrup. The next year, Pepsi sold in 6 ounce bottles & sales
57 better to 19,848 gallons. In 1909, automobile race establish Barney Oldfield was the first celebrity to endorse
58 Pepsi-Cola, telling it as "A bully drink refreshing, refreshing, a fine bracer before a race." The advertising idea
59 "Delicious & Healthful" was then used over the next two decades. In 1926, Pepsi expected its 1st logo redesign
60 since the unique drawing of 1905. In 1929, the logo was altered once more.

61 In 1931, at the depth of the Great Depression, the Pepsi-Cola Company entered bankruptcy in outsized part
62 due to financial losses incur by speculate on eccentrically changeable sugar price as a consequence of World War
63 I. Property were sold & Roy C. Megargel buy the Pepsi trademark. 8 years later, the company went bankrupt
64 another time. Pepsi's resources were then purchase by Charles Guth, the President of Loft Inc. Loft was a c&y
65 creator with put up for sale stores that contained soda fountains. He requisite replace Coca Cola at his stores'
66 fountains subsequent Coke refuse to give him a price cut on syrup. Guth then had Loft's chemists reformulate
67 the Pepsi Cola syrup formula. ??9] On three separate occasions between 1922 & 1933, the Coca Cola Company
68 was offered the chance to buy the Pepsi Cola company & it declined on each occasion. ??10] II.

69 1 Methodology & Empirical Results

70 A total of 400 samples were selected from different population. The samples should be such that the consumer
71 of cola drinks. We also tried to get an adequate ratio of men & women in the samples. The main demographic
72 targeted were the younger age group as they are more conscious & aware about the brand. Also we tried to focus
73 more on students & young professionals as they would be more interested in trying out new products & were
74 more conscious.

75 Buyers who have been consuming cola drinks were better able to answer the questions regarding the influencing
76 factors & the reasons for their consumption & purchase.

77 Simple random sampling was use in this study. In this study population was divided into mainly four samples
78 that were found as follows: Sample 1: (Students) Sample 2: (Employees) Sample 3: (Businessman) Sample 4:
79 (Labor)

80 Questionnaires were distributed to sample and In this Pie chart 44.50% sample is strongly agree that the
81 taste of their preferred cola is good, 39.00% only agree, 10.00% people neutral, 3.00% disagree & 0.25% strongly
82 disagree with this statement.

83 This Bar chart shows that price is an important factor to choose the brand according to our study.

84 2 Conclusion

85 According to this research 259 sample prefer to drink coca cola out of 400 & 149 prefer Pepsi cola. One of the
86 reasons is that people like Coca cola as it taste is very good. Another reason is that Coke also acts as refreshment
87 to our sample which influence on them to preferred coke. Price is also very important factor that influence to
88 choose their preferred brand. Frequency of advertisement is also important factor for coke customer to choose
89 their brand. It will be also notice in our study that promotion scheme & discount are also important to purchase
90 their preferred brand. Mostly people come to know about their preferred brand through advertisement on TV
91 so people who watch TV are more aware of their preferred cola as compare to other medium of advertisement.
92 Availability of convince is also important factor to choose the proffered brand. The customers of Coca Cola
93 give importance to the brand ambassador while Pepsi-cola customers have no influence on brand ambassador.
94 Coca cola customer are think that it is not only used to fill their basic thirst but also for other purposes while
95 Pepsi cola customer think that there preferred cola is important because it fill their basic thirst. Both brand
96 customer think that manufacture & expire date is very important so that they proffered there cola according to
97 their perspective. Thus Pepsi have to work more to compete with Coke & to lead the market.

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Count Gen- Gender vs preferred cola which br& do you
der Total

	Value	Chi-Square Tests	(2-sided) df	act Sig.	Ex- (1- sided)
a	2.096	(2-sided)	1		.093
act	1.754	.148	1	.185	Ex-
Linear-by-Linear	2.063	.151	1	.148	act
Association	2.091	.151	1	.148	Sig.
N of Valid Cases	400	Asymp. Sig.			

[Note: The Pie Chart shows that we have collected data from 76.50% males & 23.50% females. © 2012 Global Journals Inc. (US) a. 0 cells (.0%) have expected count less than 5. The minimum expected count is 33.14. b. Computed only for a 2x2 table 9 Global Journal of Management and Business Research Volume XII Issue XII Version I 2012]

Figure 1:

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Table 2
Age

Questions	No of Samples	P-value
Which br& do you prefer	393	0.000
From whom do you buy cola	390	0.000
What quantity do you prefer to buy	393	0.000
It's satisfy my basic thirst	385	0.012
Frequency of advertisement	387	0.006
Br& ambassador	385	0.001
Br& value/Br& name	387	0.004
Question of table 2 are associated with age in which some questions p value is 0.000 which is highly associated with age so H0 is rejected & H1 is accepted.		

Figure 2: Table 1

2 CONCLUSION

3

Average Income

Questions	No. of Samples	P-value
From whom do you buy cola	275	0.002
How often do you have drink cola	276	0.044
What quantity do you prefer to buy	276	0.006
Which is your most preferred channel for purchasing this drink	276	0.027
It's provide enjoyment	276	0.032
Flavor	273	0.049
Cleanliness of bottles/not damaged	272	0.015
Manufacture & expire date	274	0.018
Br& value/Br& name	270	0.033

Questions of table 3 are associated with average income because there p value is less than 0.05 so here our null hypothesis is rejected & alternative hypothesis is accepted.

III.

Figure 3: Table 3

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