



We Are Pepsi.

NATIONALLY GREAT. LOCALLY EVEN BETTER.

Leveraging Consumer Narratives to
Build a Targeted Portfolio Strategy

Background

- ▶ Carbonated Soft Drinks are a **\$40 million** category
- ▶ Zero Sugar CSDs are growing **2x** as fast as category



Key Takeaways

01

How Pepsi was able to shift from a single brand approach to a portfolio approach

02

Using artificial intelligence to facilitate qualitative-at-scale to identify unique positioning

03

Understanding unique emotional benefits for Zeros vs. Regular and PepsiCo vs. competition

CHALLENGE

In carbonated soft drinks, Zero sugar trends continue to accelerate, and PepsiCo wanted to understand how to build a winning program in this highly competitive space.



Why Quester



- ✓ Hybrid System 1-2 Interviews to identify Brand Mind Models
- ✓ Category level approach that included Pepsi and three competitors
- ✓ Distinctive Attributes

■ Benefit Laddering

System 1 – emotions

System 2 – consumer narratives

■ Linguistic Mind Modeling

ZERO BRAND LOYALIST LADDER

KEY

→ Category Core Path

 Distinct/Higher for Brand X Loyalists

 Distinct/Higher for Brand Y Loyalists



EMOTIONAL BENEFITS



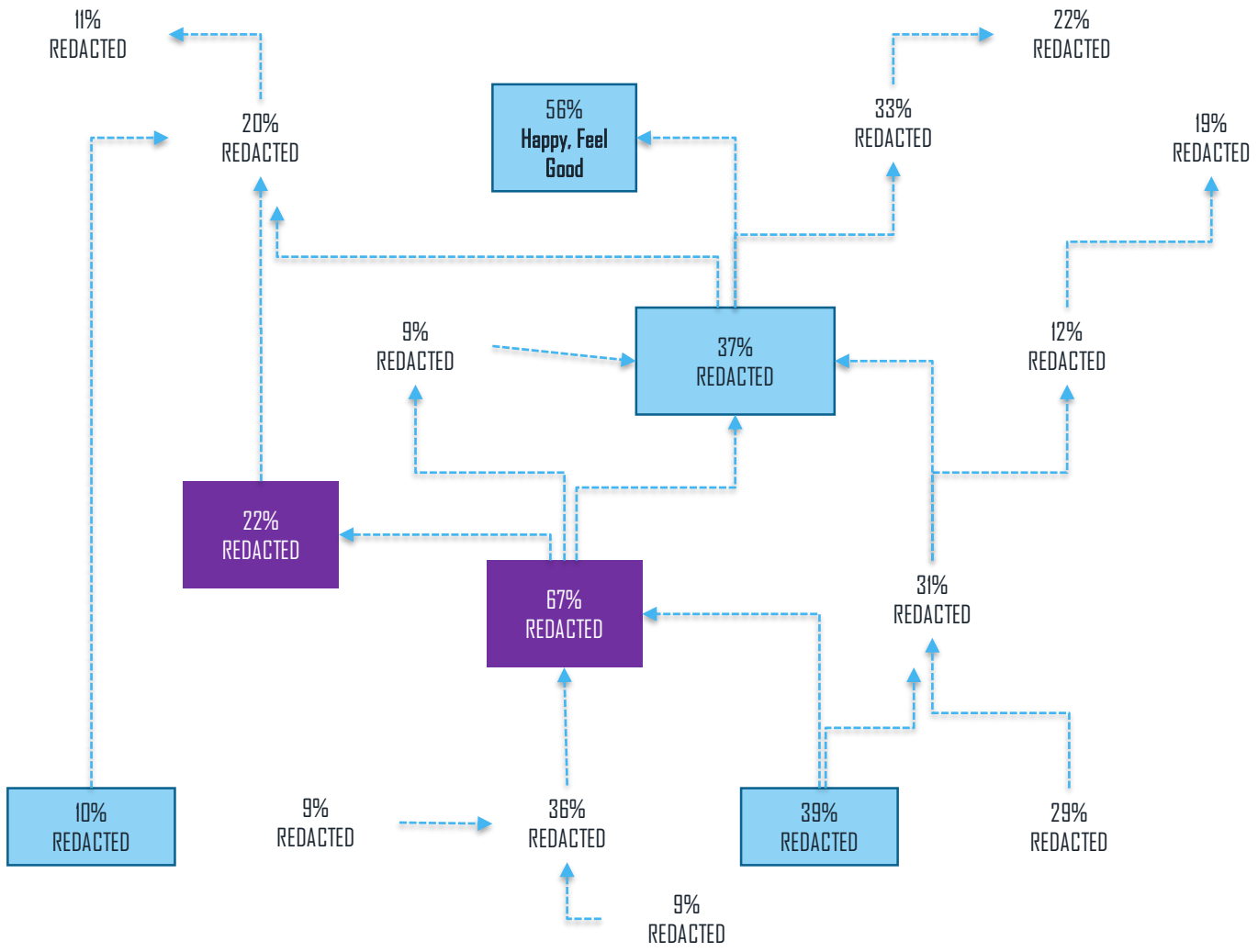
RESULTANT BENEFITS



FUNCTIONAL BENEFITS























PRODUCT ATTRIBUTES



Among the different Zero brand loyalists, Brand X drinkers are more focused on the taste experience and how closely it tastes to the original Brand X. They have made the decision to drink a zero-sugar brand, but they still want that taste experience of Brand X.

Brand Y drinkers are more functionally focused on the lack of sugar that still makes for an enjoyable, refreshing drink.

LOYALIST DISTINCT SPACES

Distinctive Brand Attributes & Benefits				
Emotional Benefits	 REDACTED	 REDACTED	 REDACTED	 Happy, Feel Good
Resultant Benefits	 REDACTED	 REDACTED	 REDACTED	 REDACTED
Functional Benefits	 REDACTED	 REDACTED	 REDACTED	 REDACTED
Product Attributes	 REDACTED	 REDACTED	 REDACTED	 REDACTED



MAIN BENEFIT PATH – IN THEIR OWN WORDS



EMOTIONAL



Happy

“

It makes me feel happy, refreshed, fulfills my sweet cravings and I love drinking it. It's like a joy, unspeakable when I drink it. I drink it at work, home, and/or on the road. Nothing makes me happier than having a Pepsi Zero to drink.

RESULTANT



REDACTED

“

It makes me feel more awake and alive especially on hot days where I'm just hot and exhausted. It's very refreshing. It makes me have a boost of energy, more up and alive.

FUNCTIONAL



REDACTED

“

It is a huge benefit because I really like the taste of Pepsi and the taste doesn't get ruined. It makes a big difference because I would not drink it if the taste was a lot different.

PRODUCT



REDACTED

“

That it has less sugar, which means that you can still enjoy your drink without having to worry about having too much sugar.

PORTFOLIO ZERO PROGRAM



360 PROGRAM DELIVERING IMPACT



BUY ZEROS.

WIN ZERO\$.

BUY A ZERO SUGAR PRODUCT. SCAN THE QR CODE.

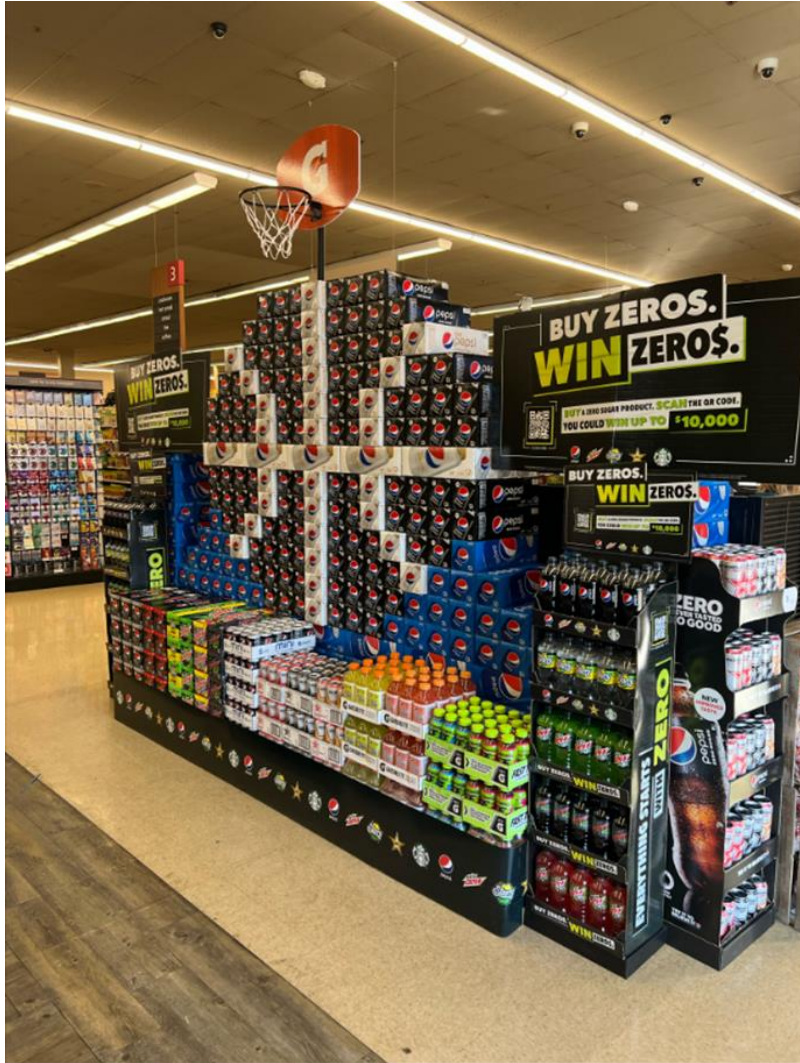
YOU COULD WIN UP TO \$10,000

SCAN HERE


NO PURCHASE NECESSARY. Odds rules apply. Winner: Access Required. Open to legal U.S. residents of AK, AR, CA, CO (select zip codes), HI, IL, MD (select zip codes), MI, MN, OR, SD (select zip codes), TX (select zip codes), VA & WA & WI or other at time of entry that are not prohibited. Begins 2/1/22, 12:00:00 p.m. PT & ends 5/2/22, 11:59:59 p.m. PT. Multiple entry periods apply. Subject to Official Rules. See Official Rules available at wearepepsi.com for complete details and how to enter. Limit one entry per person/final address per city. Sponsor: PepsiCo Company 710 Anderson Mill Road, Purchase, New York 10577. An entrant cannot participate solely by scanning the code.

IN STORE....




...AND ON SOCIAL




colleenwolfe  Zero reasons to avoid the scenic route
Drink it in baby 🥰👉👈🚀 #pepsizero #zerosogood #ad
#morelikeADventure

3w

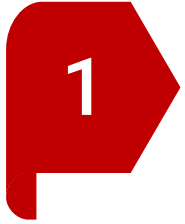


itsnatewyatt  Showed up to the office today
#StarryZeroSugar #ZeroSoGood #Ad



buttery_films  Nothing gives me a boost like Mountain Dew
Zero! #ZeroSoGood #mountaindewzerosugar
#mountaindewpartner #ad

Business Impact



Use the power of the PepsiCo CSD portfolio to win across our two powerhouse brands (Pepsi and Mt Dew) + an exciting new innovation (Starry)



Used this as basis to build a program that combined our zero sugar CSD into a big bet program of "Buy Zeros to Win Zero\$"



360 media to shelf program across large and small format that has so far led to 36% \$ growth YOY and 22% increase in distribution



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Questions?

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