

An Analysis on Pepsi-Lipton Brisk Based on 4p Theory

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Abstract: In today's business environment, brand competition is becoming increasingly fierce, and how to develop and implement effective marketing strategies has become the key to achieving success in the market for enterprises. As a globally renowned food and beverage manufacturer, PepsiCo has long been recognized by public. However, as consumer demand continues to change, PepsiCo is also constantly exploring new brand development and market strategies. Among them, Pepsi Lipton Brisk has being created. This article aims to analyze the marketing strategy of PepsiCo Lipton Brisk through the 4P approach, explore the reasons for its success. Additionally, this essay explores the various social media marketing techniques used by Pepsi-Lipton Brisk, including influencer marketing, user-generated content, interactive campaigns, brand collaborations, and sponsorship. The essay will evaluate the effectiveness of these strategies, analyzing their impact on brand awareness, customer engagement, and business growth. However, areas for potential improvement are identified, offering insights for future marketing developments. This essay will also contribute to the understanding of social media marketing in the beverage industry and provides valuable insights for businesses seeking to enhance their marketing strategies.

Keywords: network marketing, Pepsi-Lipton brisk, 4P, marketing strategy, influencer marketing

1. Introduction

In recent years, the network marketing model has risen rapidly in worldwide, and network marketing is simply the use of the Internet for marketing. Different from the traditional marketing model, network marketing based on public network will have a positive impact on the nature of the market, customer behavior, and business operation. Compared with traditional marketing, online marketing has new characteristics such as cross-time and space, multimedia, interactive, humanized, efficient, economical, and technical.

One marketing concept that has gained significant prominence with the advent of public networks is "social media marketing." Social media platforms provide a powerful avenue for businesses to connect with their target audience, build brand awareness, and engage in meaningful conversations. By leveraging the reach and interactivity of public networks, businesses can create and share content, run targeted advertising campaigns, and foster customer relationships. Social media marketing allows companies to tap into the vast user base of platforms like Facebook, Instagram, Twitter, and Linked In, enabling them to effectively promote their products or services and drive customer engagement.

2. Background Information About Company

In 1991, PepsiCo and Unilever's Lipton brand collaborated to create the Pepsi Lipton Partnership [1]. The partnership was established to leverage the strengths of both companies in the tea and beverage industry. PepsiCo brought its extensive distribution network and marketing expertise, while Lipton contributed its tea expertise and heritage.

The collaboration between PepsiCo and Lipton aimed to grow the demand for ready-to-drink iced teas and create a strong brand in this soft drink market. This partnership allowed both companies to combine their resources and knowledge to develop and market a range of refreshing iced teas under the brand name-Pepsi Lipton Brisk. The major product offered by Pepsi Lipton Brisk include a variety of iced tea flavors, catering to different tastes and preferences.

Since its establishment, Pepsi Lipton Brisk has a significant growth and development. The brand's presence has expanded globally, reaching markets in North America, Europe, Asia, and beyond. Its popularity has been widely spread by effective marketing campaigns, strategic partnerships, and continuous product innovation. Pepsi Lipton Brisk has evolved to meet changing consumer preferences and market trends, introducing new flavors and packaging formats to stay competitive in the beverage industry.

3. 4Ps Theory Introduction

The 4P marketing theory originated in the United States in the 1960s and emerged with the introduction of the marketing mix concept. In 1953, Neil Borden brought up the term "marketing mix" in his speech at the American Marketing Association, referring to the market demand being influenced to some extent by marketing variables or elements [2].

4Ps basically include 4parts:

Product: Expressing product features to meet market demands and generate profits, including product styling, packaging design, and highlighting unique characteristics.

Price: Adjusting prices to position products, based on pricing methods and strategies, to gain market share and create revenue.

Place: Establishing the path for products to reach consumers, emphasizing the development of distribution channels and sales networks.

Promotion: Focusing on changing sales behaviors to stimulate consumers, using short-term actions like discounts, promotions, and incentives to persuade or attract consumers to purchase products.

4. Analysis of Lipton Brisk

4.1. Product Strategy Analysis

Lipton Brisk focuses on offering a distinct line of iced tea beverages with bold flavors. They have a range of ready-to-drink iced tea options that cater to different tastes and preferences. Lipton Brisks product strategy includes emphasizing unique flavor profiles and incorporating innovative packaging designs. They have also introduced variations such as diet and zero-calorie options to cater to health-conscious consumers.

Graph below shows the different flavors and packages design of the Lipton Brisk:



Figure 1: Redesign of Packaging [3].

Lipton Brisk mainly focused on attracting millennials and Hispanics customers who looking for a cool and edgy lifestyle, so the brand wants their product to associate with the means of self-expression for these targeted customer. So the brand identity focused on developing a perception of edgy and cool. We can see from the picture, the beverage have many different flavors for customer to choose. Also, the package design can also demonstrates the brand's product identity, fashion forward and edgy.

For the beverage itself, it is actually a RTD tea. RTD stand for ready-to-drink, which simply means cold tea. At 2010, young people likes more new, fresh beverage, so RTD tea has become the favorite of young people, and the market start to grow. Lipton Brisk have its own unique selling point on the product. They provide a ready to drink (cold) tea with multiple flavors, as graph shown, compare to other ready to drink sellers like Arizona, Snapple, Sobe...so Lipton Brisk have competitive advantage on the RTD market, because it has the unique selling point on its product [3].

For the improvements on product, Brisk Lipton can stop selling the products that are either not profitable or not creating enough differentiation from the existing products. Since a decade has passed, people's preference has changed also, so some flavors may not be favored be current customer any more. So Lipton need to stop producing and selling those products, and develop a some new flavor or style to catch up today's fashion.

Furthermore, it is important to raise the brand image and value, Lipton Brisk can think of ways to add features and value to existing brands that help them in consolidating and increasing their market position. For example, they can improve their product quality, improving product line or raw materials. Developing product can bring huge impact to brand image, which can bring benefits to business.

4.2. Pricing Strategy Analysis

Lipton Brisk has employed a pricing strategy that aims to position its RTD tea products competitively within the market while maintaining affordability.

Lipton Brisk has mid-range price for their iced tea, which typically targets the mid-range price customer segment for its iced tea beverages. By offering their products at moderate prices, 99 cents per 500ml can, they aim to appeal to a wide range of consumers who seek a balance between affordability and quality. This pricing approach positions Lipton Brisk as a more accessible option compared to premium or high-end brands, but also not sending a image of "bad quality beverage (since price is low)"to the customer.

Lipton Brisk can also be considered using value-based pricing strategy, which means to set price based on the perceived value of their products. They aim to provide customers with a quality iced tea

experience at a reasonable price. By emphasizing the taste, flavor variety, and overall product attributes, Lipton Brisk seeks to create value in the minds of consumers and justify the price point.

When Lipton Brisk takes into account the pricing strategies of its competitors in the iced tea market. They also need to react and using competitive pricing strategy, considering market dynamics and strive to offer competitive prices that align with the value they provide. This approach helps Lipton Brisk position itself favorably against other brands and attract price-sensitive consumers. One of the most strong competitor of Lipton Brisk is Arizona, they have the price of \$0.99 per can with 680ml. Lipton Brisk also set price as \$0.99, but with a different amount, so we can see they may use the competitive pricing- set price based on competitors' price.

In addition, the time changed so fast, and pricing strategy need to be adaptive with the every time period. For example, when there is an inflation period, Lipton Brisk should also increase their price since the cost of production increase, and during economic recession like Covid-19, Lipton should decrease the price, so the it is still affordable for people. Lipton Brisk may adjust its pricing strategy based on market conditions, consumer demand, and competitive factors, as the example has shown. They may introduce promotional pricing, discounts, or bundle offers to stimulate sales or respond to market dynamics, such as buy one and get one free. Such adaptations allow Lipton Brisk to remain flexible and responsive to changes in the competitive landscape and this fast changing economic period.

In current market, Lipton Brisk has already occupied a significant proportion, so they can try to use premium pricing strategy, due to their high brand awareness. Brisk Lipton is now well respected in the market so it can set a slight premium price over the other competitors. The advantage for this methods, is that it can bring higher profit margins and creates higher barriers to entry for competitors [5]. The disadvantage could be the loss status if they appeal too mass market, and they may lost some part of customers who are price sensitive.

4.3. Promotion Strategy Analysis

Lipton Brisk find Mekanism as their advertising and production agency, and they did many famous promotion and advertisement for Lipton Brisk. For example, the most famous one is influencer marketing. Mekanism has reached out with social media influencers, like popular bloggers and high-profile digital influencers, and online citizens with large following to create sponsored content featuring their products. These influencers often have a large following and can help increase brand awareness and reach a wider audience. As a result of this typical promotion, influencers are directly responsible for 58% of the views averagely of ads. After seeing the success of influencers, Mekanism develop five stages to find a suitable influencers [4-5].

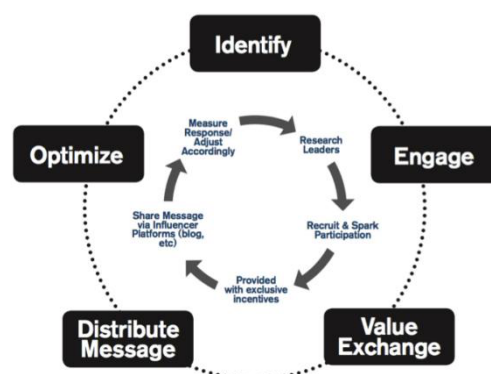


Figure 2: Mekanism's Process for engaging Influencers [6].

As graph shows, start from identify, there are five steps to characterized an influencers, and they are identify, engage, value exchange, distribute message and optimize. In the first step, Mekanism will identify the ideal influencers from millions of influencers on Facebook, YouTube, Twitter. They have a special team which can select the most matching influencers on social media based on the targeted costumers and the popularity. Mekanism will entitled these qualified influencers with BA, which stand for “brand ambassador” to strengthen the advertisement [7]. Then, in step two, the online specialists in Mekanism will approach to the influencers, specifically deliver the core campaign of Pepsi-Lipton Brisk. And encourage them to make some contribution to this campaign. Step three, after influencers get the exclusive information from the specialist, they will reach out their fans or audience, and provide the exclusive ideas of the company with them, so that the core idea of company get pass down to the customers. Next step, after passing down the ideas, Mekanism will ask influencers to post brand-related content on their social media account to expand the popularity and influence of the product, this is distributing the message. At last, Mekanism optimize the role of influencers, after each influencer finished posting advertisement, the online specialist will contact them again. Communicating with influencers about which things went well and which things can be improved, by doing this, Mekanism can enhance the relationship between influencers and brand. Through this cycle of finding suitable influencers, Mekanism has achieved it’s goal to reach out the target customers-millennials online. According to them, there will be estimated 12.5 million ad impressions on different social media because of these influencers. So that, it can help Pepsi-Lipton Brisk to soon gain the attention in the millennials market. By doing this, Mekanism notice the positive feedback on influencers marketing, but the promotion can’t just rely on influencers, there are also other ways to drive the business [8].

Mekanism come up with something more interactive, since they want to reach out millennials. Mekanism encourages customers to share their experiences and content on social media using branded hashtags. This creates a community of brand advocates who can promote the product to their own followers and friends. They also launched interactive campaigns, such as their "Unbottle the Bold" campaign, where customers can interact with augmented reality experiences and win prizes. These campaigns help engage customers and create a memorable experience with the brand. In addition, Pepsi-Lipton Brisk also collaborated with other popular brands to create limited-edition products. For example, they partnered with Marvel to create limited-edition cans featuring popular superheroes. This collaboration is also a good way to gain the attention from wider customer range, increase the brand recognition of Pepsi-Lipton Brisk [9].



Figure 3: Brisk’s Limited Edition with Marvel [6].

4.4. Placing Strategy Analysis

Pepsi-Lipton Brisk aims to make its products easily accessible to consumers by establishing a presence in a variety of retail channels. This includes grocery stores, convenience stores, mass

merchandisers, and other outlets where beverages are sold. By partnering with a wide range of retail partners, Pepsi- Lipton Brisk maximizes its product availability and reaches a broad customer base [10]. In addition to physical retail channels, the company recognizes the growing importance of e-commerce and online shopping. They have established an online presence through their official website and third-party e-commerce platforms. This enables consumers to purchase the products online, providing convenience and accessibility to those who prefer or rely on online shopping [11]. Furthermore, Pepsi-Lipton Brisk recognizes the demand for on-the-go and convenience options, since their products are beverages. Therefore, they strategically place their products in locations such as convenience stores, gas stations, vending machines, and other places that cater to consumers seeking quick and convenient refreshment options.

Besides direct distribution method, Pepsi-Lipton Brisk also form partnerships to expand its distribution network further. The company actually collaborating with distributors, wholesalers, or licensing its products to other beverage companies can help increase the availability of Pepsi-Lipton Brisk's iced tea products in new or niche markets [12].

5. Conclusion

In summary, the collaboration between Pepsi and Lipton has come to a good result. Lipton Brisk used many social media marketing strategies to advertise their product, attracting target customers which are young generation. By using 4p marketing mix, we can know about their detailed strategies. In product part, they designed a very fancy, edgy outlook for product packaging, which attract young and fashion customers in first sight. It also has variety of flavor to satisfy different wants in flavors. In pricing, they also have an affordable and cost-effective price. The key point is in promotion strategy, Pepsi-Lipton Brisk is using the power of social media and influencers, expand their brand image and increase brand recognition. Finally, they also open lots of distribution channels for customer to purchase the product. Pepsi-Lipton is successful in creating a well-know beverage brand.

This article didn't fully explore 'Place' in terms of 4p theory, since this beverage major selling in America. Due to geographical reason, I can't find enough resources to support my analysis in 'Place' section. To solve this problem, I may try to do an interview with people who lived in America, ask about more information about distribution of this brand. Also to check on more distribution channel online. So, in the future, I will be focusing on exploring the place strategy.

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