

CHARACTERISTICS AFFECTING  
THE CONSUMER BEHAVIOR OF  
TWO COMPETING COMPANIES  
PEPSI AND COKE.



## TABLE OF CONTENTS

| S. NO.           | TOPIC                                       |           |
|------------------|---|-----------|
|                  | <b>EXECUTIVE SUMMARY</b>                    | <b>01</b> |
| <b>CHAPTER 1</b> | <b>PROBLEM AND ITS BACKGROUND</b>           | <b>03</b> |
|                  | INTRODUCTION                                | 04        |
|                  | BACKGROUND OF COMPANIES                     | 08        |
|                  | PROBLEM STATEMENT                           | 14        |
|                  | CONCEPTUAL FRAMEWORK                        | 16        |
|                  | SIGNIFICANCE OF THE STUDY                   | 21        |
|                  | SCOPE AND LIMITATIONS OF THE STUDY          | 23        |
| <b>CHAPTER 2</b> | <b>LITERATURE REVIEW</b>                    | <b>24</b> |
| <b>CHAPTER 3</b> | <b>RESEARCH METHODOLOGY</b>                 | <b>50</b> |
|                  | TYPE OF STUDY                               | 51        |
|                  | RESEARCH INSTRUMENTS                        | 51        |
|                  | RESPONDENTS OF THE STUDY                    | 51        |
|                  | SAMPLING PROCEDURE                          | 52        |
| <b>CHAPTER 4</b> | <b>INTERPRETATION AND ANALYSIS OF DATA</b>  | <b>53</b> |
| <b>CHAPTER 5</b> | <b>A SUMMARY OF FINDINGS AND CONCLUSION</b> | <b>70</b> |
|                  | FINDINGS                                    | 71        |
|                  | SUMMARY                                     | 74        |
|                  | CONCLUSION                                  | 75        |
|                  | RECOMMENDATION                              | 77        |
|                  | APPENDIX                                    |           |
|                  | GLOSSARY OF TERMS APPENDIX                  |           |
|                  |   |           |

## EXECUTIVE SUMMARY

Everyday activities of people fascinates ones a lot. The field of consumer behavior is the study of how our world is influenced by the actions of marketers. Consumer behavior is a study of the processes involved when individuals or groups select, purchase, use or dispose of products, services, ideas, or experience to satisfy needs and desires.

The study is based on *characteristics affecting consumer behaviour of two competing companies*, and draws a sharp comparison between the consumers' behaviour of two leading Colas, which are consumed under the brand name of Pepsi Cola and Coca Cola.

The whole study is descriptive type, as it describes the impact of different characteristics affecting consumer behaviour of Pepsi and Coke. All the characteristics are associated with the problem.

Conceptual framework basically gives the basic idea about different characteristics that affect the consumer behaviour of both the companies and the role they play in the consumer buying behaviour.

Literature review contains the whole detail of how consumers behave in different situations and what are the characteristics that affect them and their purchasing the most and what role do they play in promoting different products/services.

In research methodology, a questionnaire has been applied. One questionnaire is developed for both male and female consumers. The questionnaire mainly consists of descriptive items. Interviews of consumers belonging to different to different social classes are conducted. Interviews are carried out on stratified random basis on a sample consisting of 50 consumers approximately. This type of interview is called preliminary data collection.

The population sample consist of consumers belonging to vicinity of Rawalpindi and Islamabad only. The respondents of the study are mixture of both young and old consumers. A sample of 100 consumers belonging to Rawalpindi and Islamabad is taken.

Since the study is descriptive, in statistical tools, frequency test and pie charts are applied to ensure the accuracy of the results. Thus through study it is concluded that Cola drinkers of the country are not mostly concerned about the brand they drink. Their main concern is the availability and quality of the drink. However the media does affect the demand and the sales of particular brand. But high standard of quality and strong distribution network can counter affect this. It is therefore recommended that all types of information and education regarding cola drinks must be accurately and concisely communicated with the consumers whether its through media or by mentioning it on the products, so that there is nothing hidden in the consumers mind and he or she should be knowing the merits and demerits of the product.

Companies should pay more attention towards the quality of the products and then advertise their products properly in an attractive manner that can grab the attention of the audience. Availability of the products at the right time is very important, so the distribution network should be improved if you don't want to lose your old customers.