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# Pepsi gears up to beat winter blues

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WITH the winter season just round the corner, global beverages major PepsiCo is changing its distribution system to check a drop in its soft drinks sales during the cold season, besides working on introducing 'winter-friendly products' in future.

"We are looking at a strategy by which we can increase our share of the total pie... The first thing we will focus on is changing the distribution system and ensure availability of soft drinks even during the winter," PepsiCo chairman (India region) Sanjeev Chadha said. While he did not elaborate on the changes in the distribution system, Mr Chadha said the idea was to overcome the problems faced when shoppers close down or change the distributor's mindset that soft drinks will not sell during winters.

Besides, the company will also adopt new marketing strategies and is currently working on introducing products designed for the season. "We are thinking what are the other beverages that we can introduce which are more winter-friendly. So we are focusing on innovations on what we need to provide to the consumers," Mr Chadha said, without specifying the details of the products the company will bring out. Asked if PepsiCo will introduce more products in the lower price-points (i.e. smaller and, hence, cheaper packs)



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CHAIRMAN (INDIA), PEPSICO

in India, Mr Chadha said the company will continue with the strategy as it is one of the reasons behind good growth in the country.

Mr Chadha said by focusing on lower price-points, the company has been successful in addressing the concerns of consumers who have been squeezing their expenditure during the economic downturn. "If you are tightening your expenditure, you tighten (on) bigger items rather than smaller items and that is what we have done and that's why we have had record growth even during this time (downturn)...across all categories and same is the thing regarding winters as well," he said.

PepsiCo had an all time-high volume growth of 33-35% last year in India despite its US-based parent company witnessing a decline in sales.