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With eight IPL teams' rights, PepsiCo hopes for a shiny summer

Company betting big with ₹150-cr spend; rival Coca-Cola to spend just ₹20-25 cr



BS REPORTER
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With an estimated expenditure of ₹150 crore during this year's edition of the Indian Premier League (IPL) cricket tournament, PepsiCo India is betting big on the summer season.

Typically, the summer accounts for 30-35 per cent of the annual sales of soft drink companies.

PepsiCo India, the title sponsor of IPL 2013, today announced it had tied with eight IPL teams (excluding Mumbai Indians) as exclusive beverage partner for this year's edition (April 3-May 26). The company has also signed a co-presenting broadcast sponsorship deal with Multi Screen Media (MSM), owners of the SET Max channel, which would broadcast the tournament.

Rival beverages major Coca-Cola has said it would spend just ₹20-25 crore in spot advertisements for IPL, according to a company source. Coca-

Cola, which had tied with five IPL franchisees during the previous season, wouldn't renew four of those deals (excluding the deal with Mumbai Indians, as this contract is yet to expire). Also, Mumbai Indians captain Sachin Tendulkar is a Coca-Cola brand ambassador.

Sources say of the ₹150 crore, PepsiCo would have to spend about ₹80 crore for the title sponsorship. In November 2012, it had bought the title sponsorship rights for ₹396.8 crore for five seasons, starting this year. The company would also have to spend about ₹50 crore on co-broadcasting arrangements with MSM. The rest would be spent on advertisements and other promotional activities.

PepsiCo's association with the eight teams would be extended to its food and beverages portfolio, including Pepsi, Mountain Dew, 7UP, Mango Slice, Mirinda, Aquafina, Tropicana, Lay's, Kurkure, Aliva and Quaker Oats.