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Scene Empowerment: A Comparative Study of Coca-Cola and PepsiCo's Scenario-Based Marketing Strategies and Its Implications for Chinese Beverage Companies

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Abstract

In the context of homogenization in the current beverage market competition and scenario-b ased consumer demand, an in-depth analysis of the marketing strategies of international brands holds significant reference value for local enterprises. This paper employs Belk's situational consumption theory to conduct an in-depth comparative study on the scenario-based marketing strategies of "Shuangle" from five dimensions: physical environment, social interaction, time pressure, task goals, and physical and mental states. The following core findings are drawn from this analysis: Coca-Cola dominates high-frequency universal scenarios such as households and catering by constructing a vast physical terminal network. Its strategic core lies in controlling physical touchpoints to achieve large-scale penetration. PepsiCo, on the other hand, uses digital technology and trendy culture as engines to deeply penetrate youth niche scenarios. Its advantage lies in stimulating instantaneous impulses and emotional resonance by creating immersive experiences. Based on this, this paper proposes the following suggestions: first, implement asymmetric competition, focusing on markets such as regional specialty catering and the integration of local cultural tourism; second, promote the agility and digitalization of the supply chain, strengthening terminal control and data response capabilities; third, integrate traditional cultural elements into consumption scenarios to achieve resonance of brand value.

Keywords

scene marketing, situational consumption theory, Coca-Cola, PepsiCo, local beverage enterprises

1. Introduction

Under the dual trends of global competition in the beverage market and the contextualization of consumer demands, contextualized marketing has become a key strategy for brands to break through homogenization competition. So-called contextualized marketing refers to a marketing model where brands match product functions with emotional needs based on the specific context (such as time, place, social relationships, etc.) in which consumers are located, achieving precise alignment of "product-context-demand". Li Fei and Wang Gao have pointed out in depth that the core value of contextualized thinking lies in reconstructing the interaction logic between brands and consumers - it is no longer limited to the transactionallevel of "selling products", but rather through constructing scenarios that can evoke emotional resonance, allowing consumers to feel a deep fit between the brand and their own needs within the context, thereby shifting from "passive acceptance" to "active participation". This viewpoint provides important theoretical support for understanding the essence of contextualized marketing.

Chinese domestic beverage enterprises often encounter the challenge of "easily replicating foreign experiences but struggling with local implementation" in their exploration of scenario-based marketing. Wang Fang emphasized that Chinese consumers exhibit heightened sensitivity towards local cultural scenarios such as family and social circles. Local brands must break away from the misconception of "simply copying international models" and establish a scenario marketing system tailored to the Chinese consumer context. Based on this, this article compares the Chinese practices of two major international brands, extracts core logics that can be referenced, and provides targeted insights for local enterprises.

2. Research methods

2.1 Theoretical Basis

The core theoretical support of this article is Belk's situational consumption theory, first proposed by American scholar Belk in 1975. Belk believes that consumers' purchasing decisions are not isolated individual behaviors, but are significantly influenced by "consumption situations", which constitute a dynamic system composed of five interrelated variables. Among them, physical environment refers to the objective spatial conditions in which consumption occurs, such as the location of sales channels and terminal display methods; social interaction refers to interpersonal factors in the consumption process, such as social occasions and cultural rituals; time pressure refers to the "time urgency" of consumers when making decisions; task goals refer to consumers' purchasing purposes, which can be divided into physiological and psychological needs; and physical and mental state refers to consumers' physiological and psychological characteristics, such as fatigue level, emotional state, and identity recognition (Belk, 1975).

This theory breaks through the traditional "product-centered" research perspective and provides a systematic framework for understanding "how context influences consumption", thus being regarded as the cornerstone of contextual marketing research by the international marketing community (Dawar and Chattopadhyay, 2002). Subsequent scholars have further enriched this theory: Wu Xiaoyi (2005) refined the mechanism of how various variables affect purchasing decisions by incorporating Chinese market cases. For example, he found that Chinese consumers have a significantly higher preference for "gift boxed" products in holiday contexts (social interaction variables) compared to daily contexts; Zhuang Guijun et al. (2004) verified through empirical research the conclusion that "the greater the time pressure, the higher the probability of consumers choosing familiar brands", providing a basis for the practical application of the theory.

2.2 Research design

This study employs the structured scenario analysis method to examine the differences in contextualized marketing between Coca-Cola and PepsiCo. The reason for selecting Coca-Cola and PepsiCo as the research subjects is that they collectively account for 90% of the Chinese carbonated beverage market (36Kr, 2025), and their competition in the Chinese market has lasted for over four decades. Their contextualized marketing practices cover the entire spectrum, from offline to online, and from mass to niche, making them highly representative and comparable.

This article employs the five dimensions of Belk's situational consumption theory as an analytical framework, systematically dissecting the marketing strategies of brands across these dimensions and comparing their differences and commonalities. Specifically, the research will unfold from the following aspects: clarifying the core elements of each situational dimension (such as "terminal touchpoints" in the physical environment and "group bonding" in social interaction); collecting specific practical cases of the two major brands in each dimension (such as marketing activities, product design, channel strategies, etc.); analyzing the matching logic between cases and situational variables, and evaluating their impact on consumer decision-making.

3. Research results

3.1 Physical environment: differentiated control of terminal contacts

The physical environment serves as the "spatial carrier" of the consumption context, directly influencing the efficiency of consumer engagement with brands. The strategies of the two major brands in this dimension exhibit significant differences. Coca-Cola adopts a strategy of "high-density coverage of physical touchpoints".

As of 2023, it has deployed 8 million offline outlets in the Chinese market, including convenience stores, supermarkets, and restaurants[4], and has placed over 100,000 exclusive refrigerated cabinets (Wang and Zhang, 2024)—these cabinets are usually placed at the top of the beverage section or at the entrance of convenience stores, ensuring that consumers can first encounter the product during purchasing or instant thirst quenching scenarios through prominent brand logos. Data shows that shoppers who participated in the “Enjoy Coca-Cola at Home” project achieved an 89% conversion rate, with email open rates increasing by 36%, click-through rates increasing by 21%, and conversion rates increasing by 8.5% (Adobe for Business, n.d.). This practice is highly consistent with Li Hong’s conclusion: through data analysis of 100 FMCG enterprises in his research, Li Hong found that terminal density is positively correlated with scenario reach efficiency—every 10% increase in terminal coverage leads to an 8% increase in consumer brand recall and a 3-5% increase in purchase conversion rate.

PepsiCo focuses on “deep penetration into the digital environment”. Its core is to break the physical space constraints through technological means and enhance consumers’ online interactive experience. For example, the “UEFA Champions League AR can” launched in 2023 allows consumers to trigger an AR animation after scanning the code - in the image, the UEFA Champions League star “scores” and raises a glass to celebrate, while a lottery entry Zhang Mingli and others explained this phenomenon: AR technology creates an “immersive sense of participation” by “superimposing virtual scenes on real products”, enabling consumers to shift from “passive viewing” to “active interaction”. Martins and Ferreira (2020) further confirmed that AR technology can enhance consumer participation time by an average of 2.3 times and repurchase intention by 1.8 times, as it constructs a “hybrid context” that combines physical products with virtual experiences—this aligns with the significant increase in PepsiCo’s scanning rate.

3.2 Social interaction: The contextualized binding path of group relationships

Social interaction focuses on the “interpersonal connection” in consumption, that is, how brands strengthen the emotional connection between consumers and groups through scene design. The strategies of the two major brands are aimed at “family sharing” and “circle identity” respectively. Coca-Cola takes “symbolization of family scenes” as its core. During the 2022 Year of the Tiger Spring Festival, Coca-Cola created a family-friendly H5 multiplayer online interactive game and other multi-channel experiences, and during the Spring Festival, its sales volume and sales share in its category both surpassed the pre-pandemic 2019 levels by 1.6 and 0.3 percentage points, respectively (ROIFestival, 2022). Zhao Ping pointed out that the essence of consumption in family scenes is “the exchange of emotional symbols” - if a brand can bind its products to core symbols in family culture (such as “reunion” during the Spring Festival and “longing” during the Mid-Autumn Festival), it can form “scene memory points” in consumers’ minds, thereby enhancing the scene exclusivity of the product.

PepsiCo focuses on “activating social interaction within young circles”. Pepsi Zero collaborated with Honor of Kings, achieving a total exposure of nearly 2 billion online and offline, covering 10 provinces and cities with 30 booth setups, attracting over 3.5 million visitors, and reaching a total exposure of over 1.8 billion on all social media platforms (Wang and Zhang, 2024). Wang Xinxin proposed that consumption within young circles (such as e-sports and music circles) has a “status recognition” characteristic - members demonstrate their identity as “people in the circle” by purchasing exclusive products of the circle; if a brand can accurately integrate circle symbols and design interactive activities, it can become a “connector” for circle social interaction, thereby deeply binding with the target group.

3.3 Time pressure: Competitive strategy in decision-making process

Time pressure refers to the “urgency of time” consumers feel when making decisions. Two major brands shorten the decision-making cycle through different methods. During the 2022 Lunar New Year, Coca-Cola’s sales volume and sales value share in its category surpassed pre-pandemic levels of 2019 by 1.6 and 0.3 percentage points, respectively, with sales volume share growth reaching twice that of its core competitors and sales value growth reaching three times that of its core competitors. Similarly, during the 2023 Halloween period, Fanta achieved a 19.1% increase in value sales through holiday promotional activities (Coca-Cola Europacific Partners, 2023). Li Xianguo explained that the “low involvement” characteristic of fast-moving consumer goods makes consumers reluctant to spend too much time evaluating products, while price comparison conveys the signal that “buying now is more cost-effective”, leveraging “loss aversion” to prompt them to make quick decisions.

PepsiCo creates instantaneous impulse through scarcity. For example, it launches “limited edition cans featuring celebrities” and sets up a “flash sale segment” during live broadcasts. Data shows that many boxes of products were sold out in a certain live broadcast. Zhou Tairui pointed out that “limited time and quantity” will activate consumers’ “competitive mentality” - when products are labeled as “scarce”, consumers will worry that “not buying in time will lead to loss”, thus shortening their decision-making time; research shows that the short-term conversion rate of fast-moving consumer goods adopting the limited time and quantity strategy is usually increased.

3.4 Task objective: Precise matching model of consumer intention

The task objective refers to the purchasing intention of consumers, and the two major brands achieve precise matching through the binding of “function-scenario”. Coca-Cola focuses on “functional adaptation for mealtime scenarios”. In collaboration with McDonald’s, it launched “exclusive package deals” - the Coca-Cola bottle is printed with the McDonald’s logo, and sold in the form of “+3 yuan for purchase” in the meal deal. This strategy has enabled the revenue from catering channels to account for 31% of similar revenue in China [10]. The higher the degree of matching between product function and scenario demand, the stronger the purchasing intention of consumers. If the brand can strengthen this matching through packaging, channels, etc. (such as exclusive supply in catering channels), it can significantly improve the scenario conversion rate (Hoyer et al., 2020).

PepsiCo targets “energy replenishment in sports scenarios”. Its sub-brand Gatorade has become the first choice in sports scenarios through the strategy of “scientific formula + scenario penetration”; at the same time, it sets up exclusive display areas in the refrigerated sections of convenience stores around gyms and stadiums. Hoyer & MacInnis proposed the “function-scenario relevance” theory: consumers in specific scenarios (such as sports) will prefer brands with “highly relevant functions and scenarios”; the stronger this relevance, the higher the “probability of being chosen” for the brand in that scenario.

3.5 Physical and mental state: differentiated construction methods of emotional resonance

Psychological and emotional state refers to consumers’ emotions and psychological characteristics. Two major brands evoke emotional resonance through different paths.

Coca-Cola conveys a “universal sense of happiness”. Every Christmas season, it initiates the “Global Tour of Christmas Trucks”, with the trucks decorated in a red Christmas theme, cruising through city streets and giving away Coca-Cola to passersby; the Spring Festival advertisement is based on the plot of “long-distance travelers returning home for reunion”, ending with the theme of “open Coca-Cola, share happiness”. The brand binds “product” and “emotion” through contextualized content, making consumers naturally associate the joyful experience when drinking.

PepsiCo activates the “trend excitement among young people”. It held a “Lay Pop-up Store” in Shanghai, where interactive devices were set up. Consumers could sing a duet with the virtual idol by scanning a QR code, and those who purchased co-branded cans were eligible for a chance to win concert tickets. It sponsored the National Street Dance Competition, and the backdrop during the performances was printed with the slogan “Pepsi Cool”. Young people have a strong demand for “trend identification” - they define their self-identity by pursuing trend symbols. If a brand can bind its products to these trend symbols and design “participatory and shareable” scenarios, it can make consumers feel an emotional identification of “the brand resonates with me” during the process of “chasing trends”.

4. Implications for Chinese beverage companies

4.1 Model and experience reference of Shuangle brand

The OPPBC model (full name “Occasion-based Brand/Pack/Price/Portfolio by Cluster”, which stands for “occasion-based brand, packaging, price, and portfolio by cluster”) is the core tool for Coca-Cola’s contextual marketing. Its core logic starts from “consumption occasions”, identifies high-frequency consumption scenarios through research, and then designs differentiated strategy combinations for each scenario: brand refers to selecting sub-brands that match the tone of the scenario; packaging refers to designing specifications according to the needs of the scenario; pricing is based on the consumption ability of the scenario; and channels focus on the channels that appear frequently in the scenario. Pepsi’s digital fission refers to activating user participation through digital technology and achieving a closed loop of “traffic-conversion-repurchase”. Its core is “leading” and “co-construction”: “leading” means stimulating user interest through innovative gameplay.

4.2 Strategic suggestions based on Belk’s five dimensions of situation

In terms of the physical environment, drawing on the emphasis placed by the OBPPC model on the physical space of consumption scenarios, enterprises should conduct in-depth analysis of the characteristics of different sales locations and adjust product layouts based on group characteristics. At the social interaction level, focus should be placed on the social attributes within consumption scenarios. Products suitable for social sharing should be created based on brand tone and packaging strategies. Referring to PepsiCo’s digital experience, social media platforms can be utilized for interactive activities to further enhance the brand’s social influence. Regarding time pressure, it is necessary to grasp the needs of consumers at different time periods based on their consumption time. Digital technology can be employed to analyze online consumption data, identify peak time periods, and then provide advance notice to these groups through activities before the consumption time. Recommend suitable products to them before the consumption time, thereby stimulating their desire to purchase. In terms oftask objectives, the OBPPC model can be used to clarify consumers’ purchasing purposes. Leveraging digital fission, big data can be used to analyze consumer purchasing motivations, and personalized recommendations and marketing can be provided based on different consumers. At the physical and mental state level, it is possible to start with consumers’ psychology and emotions before purchasing, and develop different choices based on different product prices and channel strategies.

5. Conclusion

The practices of Coca-Cola and PepsiCo in China demonstrate that the essence of contextualized marketing lies in “understanding the needs behind the context”: Coca-Cola leverages physical touchpoints and universal emotions to make consumers feel that “the brand is always with them” in scenarios such as home and festivals; PepsiCo, through digital penetration and trendy symbols, makes young people feel that “the brand understands me” in social and entertainment settings. Although their paths differ, both follow the core logic of “defining needs through context and matching products with those needs”. In the future, it is possible to further quantify the influence weights of various contextual variables and optimize strategies for niche markets such as third- and fourth-tier cities. The ultimate goal of contextualized marketing is to transform a brand from a “product provider” to a “context companion”. Only by truly understanding the contextual needs of Chinese consumers can local enterprises make the leap from “following” to “leading” in fierce competition.

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Conflicts of Interest

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