

Pepsi pays to 'refresh' communities

Soft drink maker pledges at least \$20 million to fund consumer projects

Associated Press

NEW YORK— PepsiCo Inc., looking to freshen up the image of its namesake soda, is pledging to pay at least \$20 million for projects people create to “refresh” their communities.

The soft drink maker’s “Pepsi Refresh Project” will be used throughout next year to market Pepsi soft drinks, including Diet Pepsi and Pepsi Max, and will have a heavy social media presence as consumers list their projects online and vote on the winners.

The company is announcing the effort on Tuesday with ads in the Wall Street Journal and USA Today. The effort will fund thousands of projects and Pepsi said based on interest from its retail partners and other companies, it’s likely other businesses will pledge their own money, too.

For the past year, the Pepsi brand has been marketed with its “Refresh everything” mantra, where the brand asks people to talk about ways to change their world. Now the brand is going further.

“We feel like it’s something so different that it’s going to connect with our consumers on so many different levels and really inspire people in very different ways,” said Jill Beraud, chief marketing officer of PepsiCo Americas Beverages, the division of the company that oversees Pepsi brands.

It’s yet another bid by a big-name company to get close to its consumers, who are limiting their spending in the recession. Marketing experts say as consumers deal with a gloomy economy and curb their spending, they want to spend their money on brands that take responsibility and help improve the world. Companies can’t get by on simply making pledges anymore, said Dori Molitor, founder and CEO of WomanWise LLC, an agency that specializes in marketing brands to women.

“They need to be showing that they care and they need to be visible and they need to be authentic in the neighborhood,” she said. “It’s not just allocating several million dollars and writing a check.”

‘Open Happiness’

Social media sites like Twitter and Facebook help companies interact with people who buy their brands. But this effort, and another one by soft drink rival Coca-Cola Co. next year, seeks to engage with consumers in the real world.

Coca-Cola recently announced it is sending three people — also chosen by voters online — to 206 countries as part of its “Open Happiness” campaign for its Coca-Cola brand. They’ll meet with fans, post pictures and stories online, and find out what makes people happy.

Many details for Pepsi’s project are still to be worked out: how voting will work and how much money projects could get, for example. A Web site for the project will launch in January.

Pepsi is partnering with several groups to help it run the program. GOOD, a for-profit collaboration linking people, businesses and nonprofits, will develop criteria for the projects and help people craft their ideas. Other groups will help administer the program’s grants, among other functions.