

# 3 lessons from Pepsi's CMO on keeping a 125-year-old brand relevant

Article

In its first rebrand in 14 years, **Pepsi unveiled a new logo and color palette** to be seen on shelves in North America this fall, marking the brand's 125th anniversary. While the revamp nods to Pepsi's nostalgia, it pushes into what Todd Kaplan, Pepsi's CMO, said is an increasingly **"phygital" world**, where consumers engage with brands both in-store and online.

Here are Kaplan's three marketing lessons to build long-term connections with customers.

## 1. Think niche—even if your audience is wide

“You can’t be everything to everyone, because then you’re nothing to anyone,” Kaplan said. Instead, he thinks about how the brand shows up within subcultures like hip-hop.

- In July, Pepsi announced a partnership with The Notorious B.I.G. estate to honor the 50th anniversary of hip-hop.
- The collaboration brought Biggie Smalls’ presence to digital and physical spaces, including street art and limited-edition Pepsi cans, tapping into the hip-hop community.
- These collabs get people talking about your brand, a powerful tool for Pepsi, “a 125-year-old category that’s not top of mind,” Kaplan said. “It’s driving new ways for consumers to experience our brand.”

## 2. Go beyond surface-level advertising

“Rather than chase the consumer, following them everywhere, think about building deeper, more immersive brand experiences where they can find you,” Kaplan said. “It’s the idea of an opt-in cultural environment that you create ... where consumers can choose to engage with you.”

- He noted the “Barbie” movie as a recent example, which turned brand storytelling for Mattel into a 2-hour movie that consumers paid to watch in droves.
- The film’s success is seen in Mattel’s earnings, which saw a 16% YoY growth of gross billings for Barbie toys in Q3.
- Its impact also fueled Barbie searches on Amazon and a 56% increase in doll sales for Shopify.

## 3. Strive for brand longevity

It’s easy to put most of your marketing efforts on bottom-funnel strategies because they’re easier to measure ROI, Kaplan said, pointing toward abandoned cart emails. However, “you can sell a product all day long and push people through the funnel, but brands are what people have tattooed on their bodies—it’s an emotional connection.”

- He suggests working with creators to foster connections between their followers and your brand.

- Often, creators are not just the talent—they're also the creative agency, the production partner, the media platform, and the distribution channel. So Kaplan has learned how to hand over the reins and say, "here are the keys to do something cool with Pepsi—have fun."
- For example, other advertisers may have doubted the idea of a dialogue-free video creative. But for the launch of Nitro Pepsi in March 2022, the brand worked with TikTok creator Khaby Lame, who is known to 162.1 million followers for his silent short skits.

"Transactions are fleeting," Kaplan said, especially for a "low-involvement" consumer packaged goods brand such as Pepsi, which doesn't require the same purchase consideration that an expensive purse would. "Brands have staying power and real loyalty—and that's where you get pricing power in the future, differentiation from the competition, and develop deeper brand love."

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