PepsiCo's Strategy to Reach the New Heartland Customer

The Beginning...

"Too dumb for New York City and too ugly for LA"



"What is important to you?"



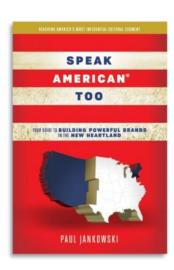


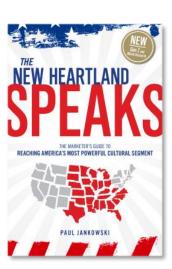
Cultural Segment

As the first to identify the New Heartland cultural segment, New Heartland Group are thought leaders with this cohort.

Forbes







NHG Capabilities







CONTENT CREATION











"So many marketing programs are oriented toward metro elite imagery. Marketing needs to reflect less of New York and Los Angeles culture and more of "Des Moines and Scranton."





"If most analysts
were so wrong about
Trump and Brexit,
are they really right
about your airline or
your car brand or
your cereal?"

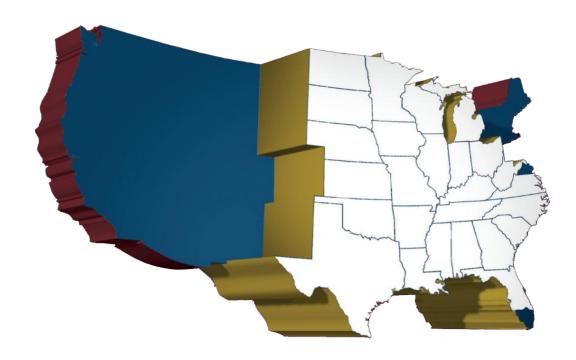
Chuck Porter, Chairman

Harris Diamond, CEO McCann Worldgroup

The New Heartland

The New Heartland is more than just the "Fly Over States..."

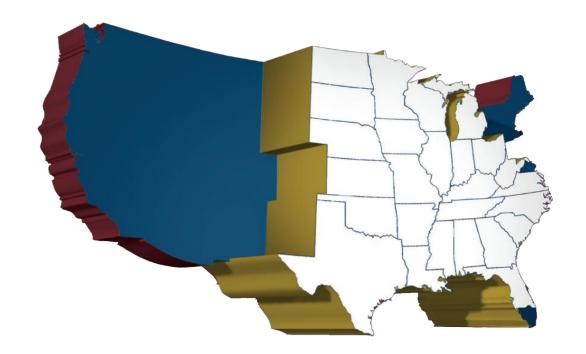
- Nearly 60% of Americans
- 196 million people
- 26 states
- Overlooked cultural segment
- 25% are Millennials



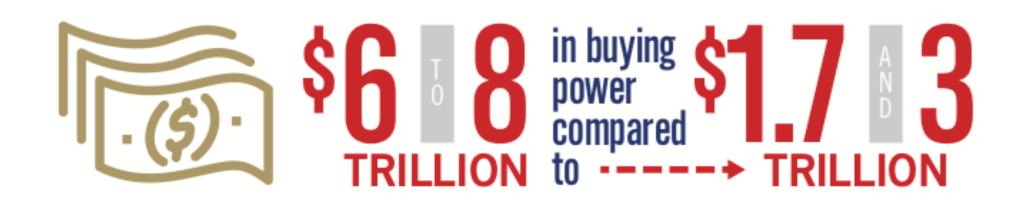
The New Heartland

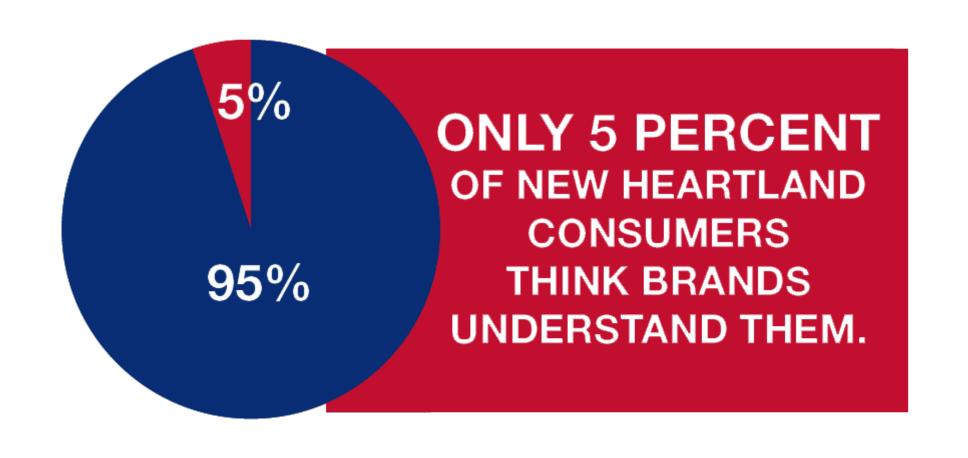
Very Diverse:

- **√**53% White Americans
- **√**63% African Americans
- **√**43% Hispanics
- **✓26% Asian Americans**



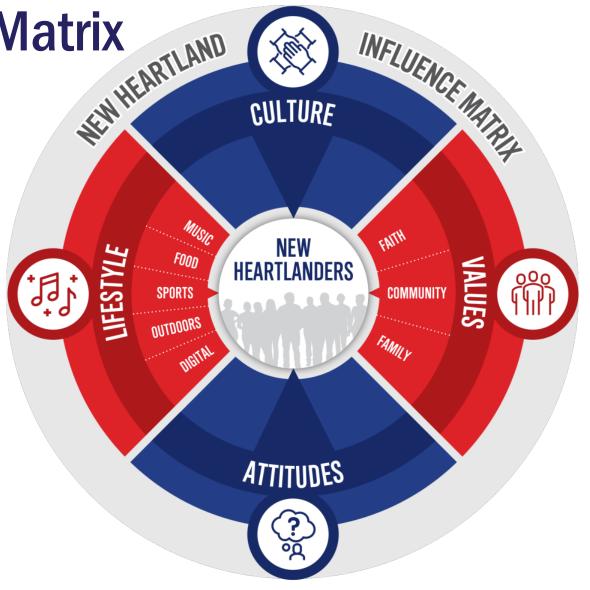
Buying Power



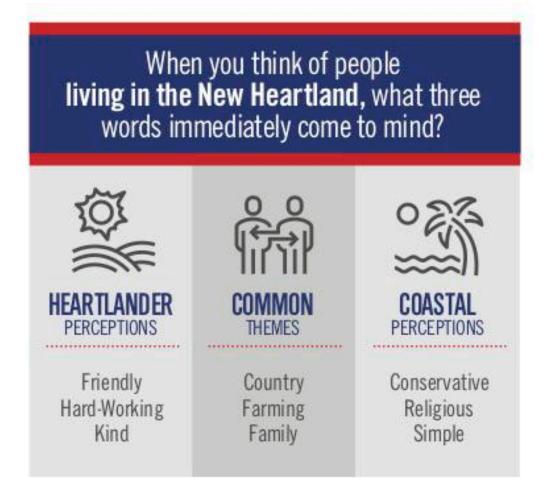


New Heartland Influence Matrix

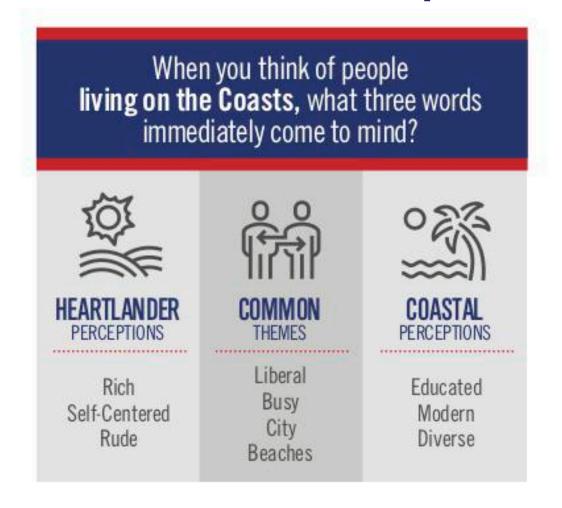
Culture, core values, lifestyle activities and attitudes play a big role in buying behavior.



New Heartland vs Coastal Perceptions



New Heartland vs Coastal Perceptions



Consumer New Heartland Consumer Guardrails

Proximity to Family is a Key Influence

Context

 Proximity to family influences college decisions, career decisions. Closer proximity makes it easier for families to get together to celebrate both big events (holiday) and small (dance recital).



Support

 45% live within 2-hour drive from most or all their family (versus 39% of non-New Heartlanders.)



Application

 Showcase more everyday family moments – attending a kid's sporting event, sharing a meal after church.

Church and Faith Are Central to Daily Life

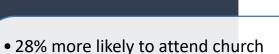
Context

 New Heartlanders are more comfortable with Faith-Based advertising themes.
 Faith plays a role in daily life.



Support

regularly.



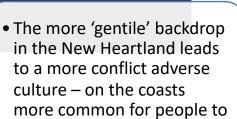
- 40% more likely to find faith critically important when purchasing.
- Wish they had more leisure time to attend church activities.

Application

 New Heartlanders view the world through a faith-based lens. Be especially cautious when embracing controversial stands.

Less Direct and More Conflict Adverse

Context



express issues with a person/situation/ brand.



Support

 More difficult to really get at what a New Heartlander is thinking/feeling. The presidential election is a good example.



Application

 Keep in mind, as you do research, New Heartlanders may be telling you what they think you want to hear.

Value Generational Ties

Context



Support



Application

 Given closer proximity to family, it is 'easier' to hand down lifestyle passion points.
 And more everyday occasions shared inter-generationally. Family is the number one source for product recommendations.

 New Heartland women are 62% more likely to value input from family when making purchase decisions. Building brand loyalty today among new Heartlanders can pay off for generations.

WHAT:

"Out Here. It's DEW." is a rally cry for MTN DEW to celebrate and empower the pursuits and passions of those who embrace the adventurous spirit and freedom in the great outdoors.

WHY:

Whether fishing or hunting, Heartlanders embrace the freedom and adventure of the outdoors all year long, no matter the weather or season. With a heritage steeped in the great outdoors, MTN DEW shares the Heartland's pride and commitment to embracing these elements.

HOW:

Through partnerships with some of the most well-known Heartland influencers, "Out Here. It's DEW." is a platform for DEW to celebrate the most passionate outdoor enthusiasts.

KV







Point of Sale





"Out Here, It's DEW." Stimulus Program

INSIGHT:

 Heartlanders across the U.S. have faced an uncertain year with evolving COVID-19 restrictions, elevated unemployment and changing hunting and fishing permit regulations and could use a boost.

RESPONSE:

- MTN DEW created the MTN DEW Outdoor Stimulus, a \$100,000 fund dedicated to helping cover the 2020 permit costs for licensed fisherman and hunters across the heartland, helping our heartland heroes unleash their passions outdoors while eliminating potential financial uncertainty.
- The \$100,000 MTN DEW Outdoor Stimulus will provide \$20 to help Heartlanders get to get "Out Here" with us and do what they love in what has been a challenging and uncertain year so far.

"Out Here, It's DEW." Stimulus Program

HOW IT WORKS

MICROSITE: To receive the MTN DEW Outdoor Stimulus, Heartland members of DEW Nation submit photos of their most recent 2020 fishing and / or hunting permits.

PAYMENT: MTN DEW will reimburse one permit per household up to \$20 in total via Venmo or check within ten days.



360 Marketing Support

SOCIAL CONTENT:

Engaging, DEW-owned social media content encouraging applications with robust paid support programming

INFLUENCERS:

Targeted hunting and fishing outdoor influencer partnerships across the heartland driving DEW Outdoor awareness and Stimulus applications

REGIONAL MEDIA PARTNERSHIPS:

Heartland-wide station and DJ partnerships across more than 15 cities

SEARCH ENGINE SUPPORT:

Geotargeted, search plan targeting outdoor keywords

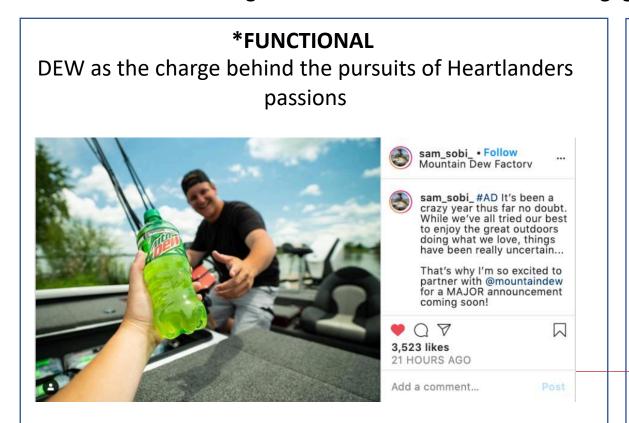


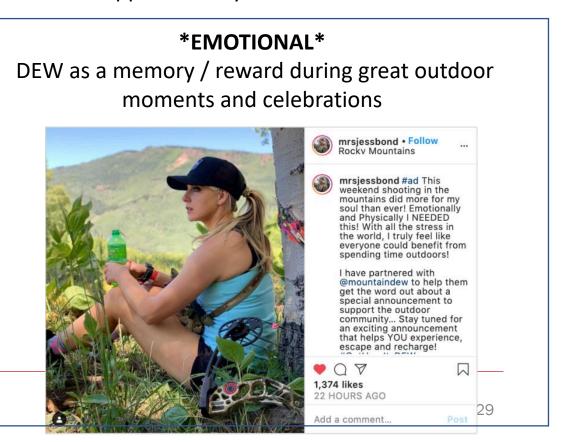
Influencer Program

Heartland-wide macro, micro and nano influencer programming to help drive functional and emotional Out Here.

It's DEW. outdoor positioning amongst core target audience

Program launch drove more than 5% engagement across approximately 15 influencers.





Earned Media Tactical Overview

PRE-LAUNCH:

 Advance outreach to select endemic and lifestyle outdoor media garnered advance coverage with national and Heartland regional fishing sites *Forbes, Fishing Wire and Bass Fan*.

LAUNCH:

- Kicked off the official announcement of OUT HERE. ITS DEW. platform and the MTN DEW Outdoor Stimulus program by issuing a Press Release to Heartland states.
- Aggressive regional media outreach with personalize alerts to regional news, trade, outdoor + fishing / hunting and relevant lifestyle media.

POST-LAUNCH:

 Continue to generate buzz throughout the heartland and re-engage with target media and fans by leveraging consumer commentary / sentiment, data / insights to enhance additional interest.

Mountain Dew Will Pay For Your Hunting Or Fishing License In New Outdoors Promotion





In a new summer promotion, "Out Here. It's Dew.", Mountain Dew will earmark \$100,000



www.newheartland.com