

Pepsi's "computer glitch" tells 800,000 Filipinos that they became millionaires!

In the early '90s, Pepsi was lagging behind Coca-Cola in foreign markets. Coca-Cola were outselling them by a huge distance (75% to 17% market share), So, Pepsi-Cola Philippine Inc.'s top brass put their heads together and came up with a smart marketing plan called the "*The Number Fever*".

The plan was simple: "look at the bottom of your bottle's cap, and see if you won!"

Translation: "Buy Pepsi instead of Coca-Cola. You'll have nothing to lose, and who knows, you might win free money!"

This marketing plan was a huge a success, Pepsi's sales shot up nearly 40 percent!!



Only until.. They had to announce a winner. And they did but when they did, this is what happened: Nearly 40 company trucks were *burned* in the attacks, including a grenade blast that **killed** three people in Davao City.



What could have possibly caused such madness, you ask? Well.. **The number "349"**. A very tiny **computer glitch** picked a wrong winning number that was printed 800,000 times. Technically speaking Pepsi owed around $800,000 \times 1 \text{ million} = 800 \text{ billion}$ pesos* to the 'winners'. Which was impossible for them to pay, since their income itself was around 240 billion pesos only!

Week 12: We'll analyze and discuss the lawsuits Pepsi was faced with and how the Supreme Court of The Philippines ruled.

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References:

- [1] <http://www.quora.com/What-are-some-of-the-greatest-marketing-disasters-in-history>
- [2] http://www.cracked.com/article_20438_the-6-most-baffling-marketing-disasters-by-famous-companies.html
- [3] <http://community.seattletimes.nwsources.com/archive/?date=19930726&slug=1712840>

*pesos: The official currency in Philipines. 1 Million pesos = USD 40,000 = SAR 150,000