



**PEPSICO**

Global R+D

# **PepsiCo Research & Development**

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Manager – External Innovation

# Agenda



**PepsiCo Category  
Research**



**PepsiCo WANTS**

# Who We Are?

*PepsiCo is a global food and beverage powerhouse.*

*Our broad range of more than 3,000 delicious products offers consumers convenient, nutritious and affordable options in nearly every country around the world.*



**Global Beverages**



**Global Snacks**



**Global Nutrition**

## Performance



**~\$63 billion**  
revenue

## Brands



**22**  
billion-dollar  
brands

## Scale



**>200**  
countries  
& territories

## People



More than  
**250,000**  
employees

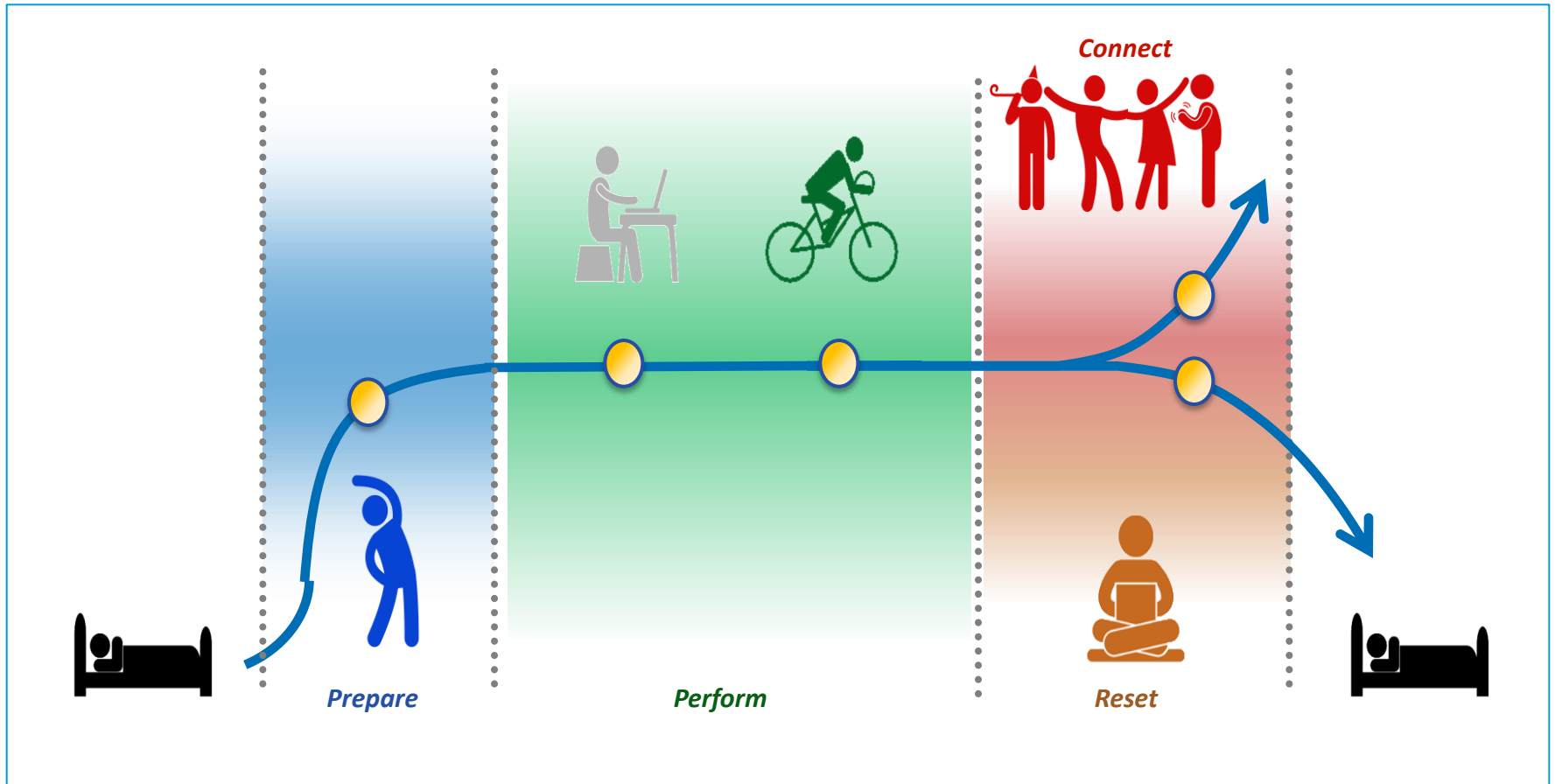
# We have a strong portfolio of iconic brands.....

22 \$1B Brands	Over 40 \$250MM - \$1B Brands
  	  
   	  
   	  
   	  
   	  
  	  

# Our Brands have leading global positions in attractive categories



# Linking Consumer Drivers leads to Demand Driven Growth



Demand Divides into 4 Distinct Clusters Which Frame the Landscape

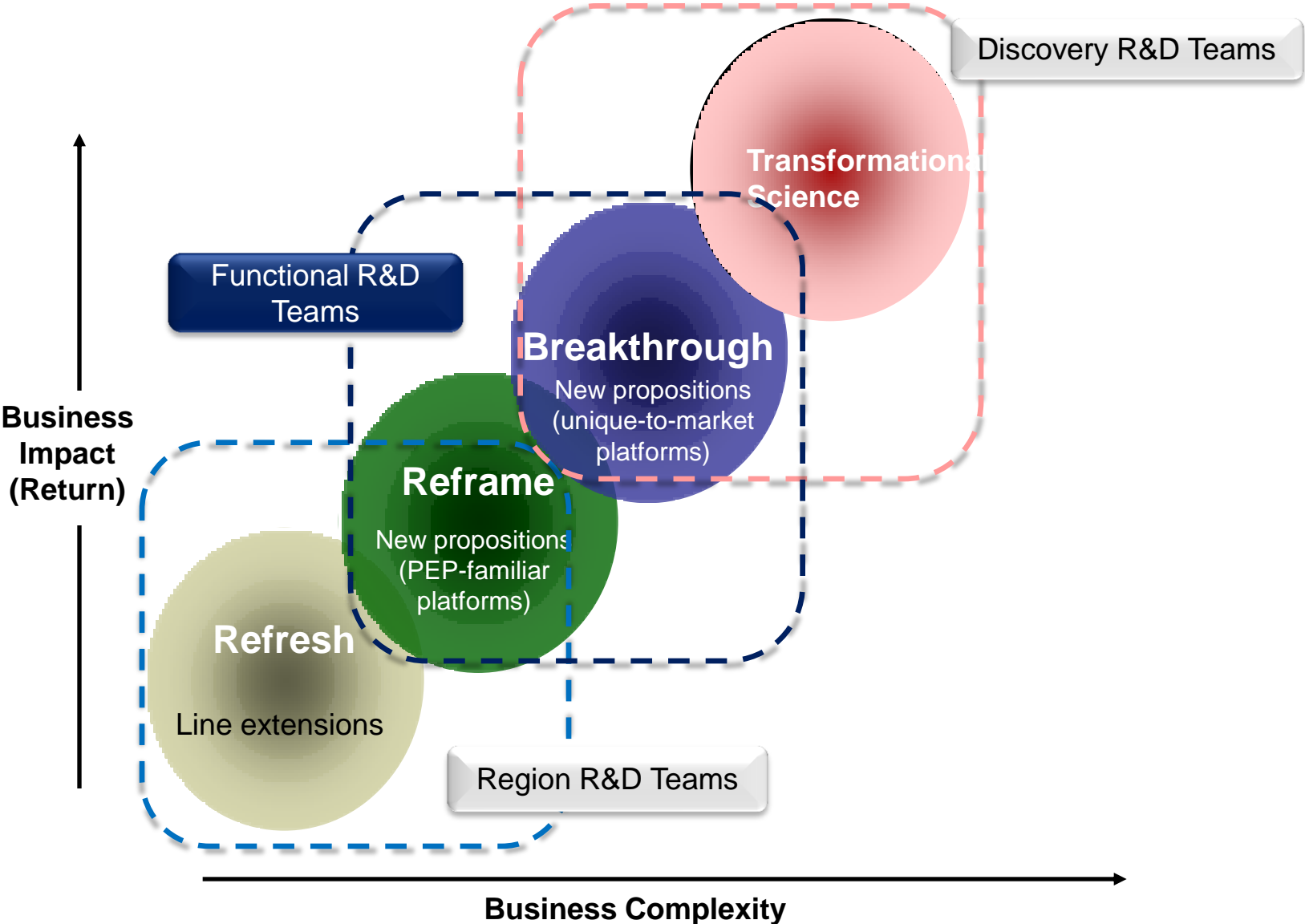
# Global R&D



Sector Model

Category Model

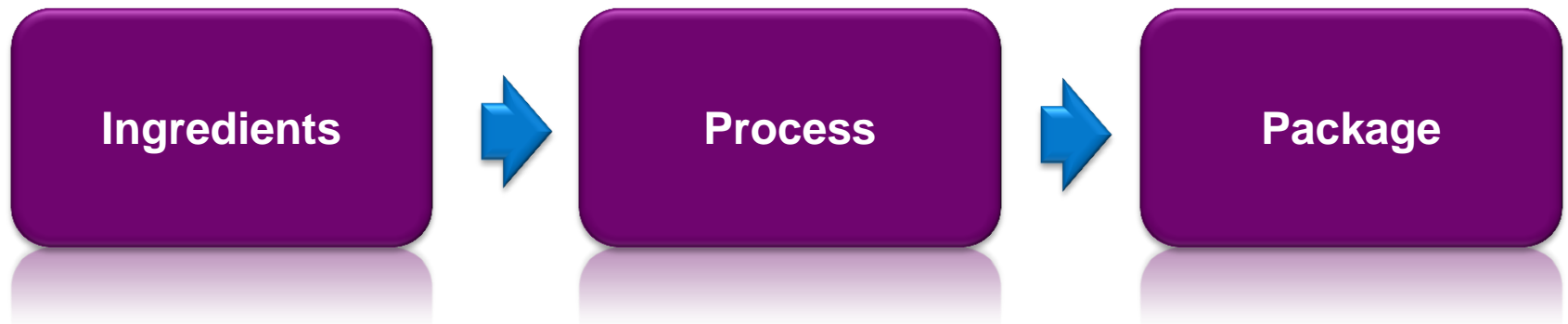
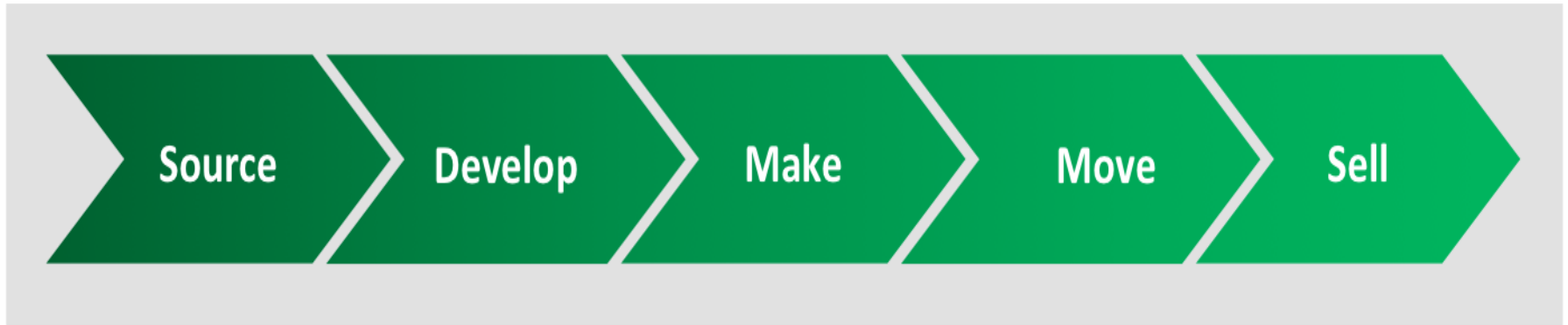
# R&D Operating Model





# R&D impacts productivity across Supply Chain

PRODUCTIVITY 2015



# Agenda

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PepsiCo Category  
Research

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**PepsiCo WANTS**

# Focus on BIG Ideas



# Group Ideas into Opportunity Spaces



## Better Built:

- Built for Appearance
- Built for Texture
- Built for Taste & Flavor
- Built for Permissibility



## Transform Distribution:

- Point of Sale
- At Home Applications
- Flexible Equipment
- Localization



## Holistic Sourcing:

- Managing Inputs (Ingredients)
- Repurpose and Reuse
- Robust Process



## Digital Efficiencies:

- Mass Customization
- Information Value Chain
- Operational Execution

# Some Food WANTS

- Differentiated packaging (new format, digital print, functionality, recyclability, etc.)
- Advantaged plant protein (sourcing, solubility, taste/texture, bioavailability, quality – PDCAAS, etc.)
- New natural preservatives, colors, and functional ingredients
- Bio-fermentation, Chemical, enzymatic modification, etc.
- New/unique dehydration technologies (other than baking, frying, etc.)
- New Food Industry Manufacturing Processes (e.g. Injection Molding of Food)
- Noninvasive potato defect and content characterization
- Non-Oil Frying (alternative food grade fluid that has a flash point  $\geq 450$  to  $500^{\circ}\text{F}$ )
- Edible adhesives and coatings that are activated with a low energy source or temperature

# Some Beverage WANTS

- Next generation of plastic packaging – what is the next PET, cheaper, more sustainable and with better barrier properties? Better Renewable plastics.
- Recyclable / Biodegradable Pods
- Economical packaging barrier
- Alternative sweeteners (new ingredients, improved stevia extracts, aftertaste mitigation, mouthfeel modification, etc.)
- Unlocking use of “source” water (improved RO, ZLD, inexpensive filtration)
- Uniform ingredient dispersion and repeatable, accurate micro scale ingredient handling
- Advantaged and novel sterilization technologies
- Economical vending solutions including cooler / chilling technology

# Next Steps – Defining Unarticulated Needs

- Unarticulated Needs (WANTS)



“If I’d asked people what they wanted, they’d would have asked for a better horse.” *Henry Ford*

“It’s really hard to design products by focus groups. A lot of times, people don’t know what they want until you show it to them.” *Steve Jobs*



# Internal PepsiCo Capabilities



Food Science



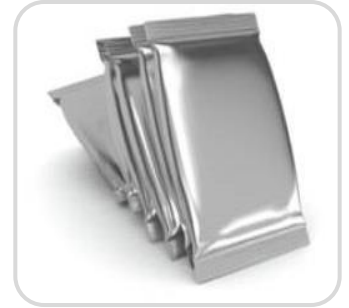
Culinary



Sensory



Clinical Science



Packaging



Metabolomics



Engineering



Food Safety, Quality



Chemistry/Physics



Regulatory



Statistics



Agro



Biology



Nutrition



Flavors



# Questions?

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