

A Fly-Away Success Story: Red Bull Gives You Wings

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Abstract

Red Bull serves here as an excellent example of a company's successful brand marketing with a small marketing budget.

Case

How do you become a market leader? One way is to create a whole new category and then launch your brand into it with a bang. That's what Red Bull did back in 1987 and they are still leading the energy drinks market that they created. In 2012 they sold 5.2 billion cans.

Strong brands like Red Bull don't happen by accident. The company has invested a lot into its marketing: a lot of thought and effort, although not really such a lot of money. Compared to companies like Coca-Cola and Pepsi, their marketing budget is tiny, yet a can of Red Bull can cost over twice as much as a can of cola.

It all started in the 1980s when Austrian entrepreneur Dietrich Mateschitz visited Thailand and was impressed and energised by a local drink. He adapted the ingredients to better suit Western tastes and launched it in 1987 as Red Bull, Europe's first energy drink. The first press ad claimed that it was so awesome polka dots would fly off your tie.

1988 saw Red Bull's first sponsorship deal: the Red Bull Dolomitenmann: "one of the toughest extreme sport relays on the planet," a marathon event combining mountain running, paragliding, kayaking, and mountain biking. More extreme sport sponsorships followed: snowboarding, mountain biking, and cliff diving but this wasn't enough for Red Bull. The brand wanted to be even more involved in the exciting lifestyle represented by these high-risk challenges, and so they began creating their own events. They became an integral part of the action rather than just standing at the sidelines.

Red Bull Flugtag

Red Bull runs a number of different contests and events such as a soapbox race and the Red Bull Flugtag. Flugtags challenge contestants to build flight machines which are then launched (or crashed) off a 30 foot platform into water. The flight record for one of these amateur machines is 207 feet, their crashes are spectacular and prizes are awarded not just for length of flight but also for imaginative design and humour. Flugtags have been held all round the world and attract huge crowds at the actual event – though the bulk of the audience watches online via Facebook or YouTube. Two years on, that record-breaking flight in Minneapolis had over half a million views on YouTube.

In 2012, Red Bull launched a man into space – and then threw him out. Felix Baumgartner set the world record for skydiving when he fell approximately 39 kilometres, reaching an estimated speed of

1357.64 km/h (843.6 mph), or Mach 1.25. He was the first person to break the sound barrier without being inside any form of vehicle. The event was watched live around the world – and then watched again and again on YouTube. The space dive made sense both for daredevil Felix and for Red Bull. It was a logical progression from what they had done before. Over the years, Red Bull's association with daring stunts and extreme sports had successfully created an independent, edgy image that has served it well. More recently, the brand has added creativity to its image with its involvement in contemporary culture through events such as Word Clash street poems and Art of Can which invited would-be artists to create sculptures using Red Bull cans – inspired recycling! (<http://www.redbull.com/en/stories/1331580470607/red-bull-art-of-can-inspired-recycling>).

Red Bull Space Jump

Through these events Red Bull carries on an intense conversation with its youthful and independent-minded target audience. The brand is part of their lives, providing entertainment, excitement, challenge. The buzz around Red Bull is regularly stoked by another high-risk brand experience but it is the audience and their engagement that has really built that brand strength.

Red Bull has extended its do-it-yourself approach to events into media. Now they have an online TV channel (www.redbull.tv/Redbulltv) where you can watch sports and entertainment programmes and listen to music. It's all free – but it's also all heavily branded. The Red Bull Media House provides web clips, documentaries and photos for other publishers. The official Red Bull website looks more like a sports site with tabs for motorsports, biking snowboarding and surfing. It also has games and music. The emphasis is clearly on what Red Bull does as a brand, not on the product itself. This is lifestyle branding at its best.

Red Bull's promotional activities are so well integrated that they seem like one long, continuous campaign. While their focus is on events and branded content, they do also make use of paid media. The famous tag line, “Red Bull gives you wings,” is frequently seen on television, in the press and on other web pages. They use the different promotional tools for different purposes. The adverts create awareness and build brand image through their humour and consistency. Sponsorship of sports like Formula 1 builds credibility by association and the Red Bull branded events and online content, e.g., the Red Bull Air Race and Last Man Standing 48-hour Motocross, differentiate the product and engage the audience.

Red Bull promises to deliver energy. It will wake you up, enhance your performance. The universal appeal of this brand promise helps the brand to cross international boundaries. The drink may have started in Austria, inspired by a Thai tonic, but now it is boosting energy levels all over the world.

Discussion Questions

- 1.

Analyze Red Bull's marketing communications strategy in terms of objectives, target audience, and brand positioning.

- 2.

Red Bull makes excellent use of paid, owned, and earned media. Identify examples of each and discuss how they support each other to maximize audience reach.

- 3.

How well integrated are Red Bull's marketing communications activities? What pulls them together?