Red Bull: Marketing Strategy

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Marketing Strategy:

The Red Bull marketing strategy incorporates a “more for more” positioning since Red Bull gives you more energy in the long run than any other energy drink at a slightly higher cost to compensate for the added benefit. Red Bull minimizes the effects of mental and physical fatigue and promises to give you wings. Red Bull is available in most retail stores within South Africa. Red Bull’s primary target segment is millennials and the older generation z between the ages for 16-35+. In these generational segments, we will target mainly university students, health care workers, young professionals, gamers and of course series binge-watchers. Red Bull is available at most retail stores in South Africa, either sold individually or in packs with multiple cans.

Positioning:

Red Bull’s value proposition is to energize you in situations when you need that extra push and thus “gives you wings”. We can differentiate it from its competitors through the product experience, the ability to minimize mental and physical fatigue and the unique taste and experience of the drink. To those people that just need that extra energy boost, Red Bull is the extra push you need to fly through your daily activities.

Product strategy:

Red Bull’s main focal point is that the customer receives it with all its expected attributes and more. That in itself includes delivering the messaging in the slogan, “Red Bull gives you wings”. As customers become more aware, Red Bull matches that by extending its product line with a sugar-free can of Red Bull, not only did they do that, they also added on more variety by increasing their flavours of energy drinks (the Red Bull coconut edition) and with each new edition, a new type of packaging and more colour diversity. Red Bull therefore aims to achieve consistency with all the features of the marketing mix.

Pricing:

In terms of prices in the energy drink, they could differ, depending on the size of the drink, the amount of energy received from the drink as well as the flavours and brand of energy drink. Red Bull will follow a competition-based price strategy as their prices need to be based off that of their competitors. Prices are dependent on the retailer that sells the products but stay roughly at about R16 for a 250ml can. For the bigger 335ml can you can expect it to be around. R22. It has also been noted that many spaza shops and convenience stores hold Red Bull and competitors’ products. The Red Bull products held by these businesses may have prices higher than those of the retail shops, but an important factor to consider is whether the product is refrigerated. Competing products with capacities of 500ml have prices in the range of R16-R18. Red Bull held at garages may have a higher mark-up than those held at retail stores.

Distribution strategy:

Red Bull will employ an intensive distribution strategy with South African retail stores, petrol garages, sporting events, gyms, bars and promotional events. Most competitors in the energy beverage market would follow this strategy. Red Bull uses promotion events to market the product and includes cars with the logo displayed as well as banners, and these would take place at University campuses, sporting events and nightclub events. Red Bull would also be made available at petrol garages on major highways, with branded fridges. This is very convenient for long-distant trips for consumers and are ideal for exposure.

Marketing Communication strategy:

The marketing communication strategy needs to be one that speaks to the target markets of Red Bull. As we live in a world that is more environmentally friendly, Red Bull has moved from traditional print media advertising and has focused more on online digital marketing, social media marketing and TV commercials. We will therefore focus on:

- ? Event marketing: Red Bull is big on its promotional events and will therefore need to market the brand at several sporting events, by either deploying marketing teams to the various events or merely just putting up some advertisements. Making a presence at concerts and events and giving away Red Bull merchandise will potentially boost sales.
- ? Trade promotions: Red Bull will make use of retail stores as mentioned before in this marketing plan. In making the product available in many retail stores around the country, they can add branded fridges to store the cans, set up displays and even offer merchandise to the customers when they purchase Red Bull. They can add sales promotions (e.g. 2-for-1 promotions) at various retail stores.
- ? Digital Marketing: By adding videos on the internet, branded websites and online advertising, they are moving towards a more environmentally friendly marketing approach that appeals to the younger target market, and the average person in general in the 21st century. Although television marketing is still used to advertise, many advertising video contents are uploaded on YouTube and their branded website.
- ? Social media marketing: Using sites such as, Facebook, Twitter, Instagram and YouTube, makes marketing easier, more cost-effective and it is immediate. The people of the 21st century is more inclined to use social media to examine products and to share their brand experiences with others. This is a great way to see what the underlying needs of Red Bull customers are, and also to improve on the way that Red Bull is marketed and promoted. Social media is a great way of advertising where the product can be found and upcoming events that are sponsored by Red Bull, or where they will be doing promotions.

Marketing Research:

Since majority of the target markets for Red Bull are active online, we will use Online Behavioural and social tracking and targeting and Online marketing Research. We will therefore monitor social media reviews of the product, online reviews as well as comments made on social media posts. Setting up online surveys for customers to fill out will also be an option as these will be cost-effective and they can be distributed and analysed easier than physical copies. They also don’t always require the marketers and the consumers to engage face to

face, but they effectively and efficiently manage the needs of the customers.