



Marketing Plan

Red Bull Overview

Headquartered in Austria and founded by Dietrich Mateschitz in the mid 1980's.

- Energy drink as a unique product category.
- Present in 169 countries.
- In 2020, 7.9 billion cans were sold worldwide.
- Leading company in the energy beverage industry.
- It utilizes a customer value-driven marketing strategy focused on market segmentation and targeting of the primary audience.
- Great advertising campaigns and integrates sports and extreme events into its public image.
- It also owns many sports team, such as RB Leipzig (soccer) and Red Bull Racing and Scuderia Toro Rosso (racing), among others.





SWOT Analysis

Red Bull's SWOT Analysis



	Positive factors	Negative factors
Internal factors	<ul style="list-style-type: none">• Market dominance• Rapid growth in sales• Intensive marketing• Global presence• Strong brand• Effective supply chain	<ul style="list-style-type: none">• Lack of variety• Offering unhealthy products• Very expensive• Difficulty in enforcing patent
External factors	<ul style="list-style-type: none">• Focus on emerging markets• Introduce health products• Engage in sports fully• Extend product lines	<ul style="list-style-type: none">• Tougher regulations• Increase in imitations• Growing health consciousness• Stiff competitions• Looming global recession





SWOT Analysis: Strengths

Market Dominance

- Dominant in the US and globally. It has captured the largest global market share.
- In 2019, Red Bull sold **7.5 billion cans**.

Intensive Marketing

- Exploits social media and sports.
- Uses 100s of athletes and teams as sponsors across different sports.

Strong Brand

- Strong brand positioning with the slogan: **Red Bull, Gives You Wings**.
- Its brand is valued at **\$9.9 billion** and ranked #71 most valuable brand in 2019.

Rapid Growth in Sales

- In 2019, Red Bull's sales increased by **37% in India, 30% in Brazil**, 25% in Africa, 15% in Germany, 12% in Austria, 12% in Eastern Europe, and 9% in the US.

Global Presence

- It operates in different markets across the world: from America to Europe, Africa, Asia, and Australia.





SWOT Analysis: Weaknesses

Lack of Variety

- Red Bull offers two main products: sugar-rich energy drink and sugar-free energy drink.
- Consumers demand variety.

Very Expensive

- Positioned and marketed as premium with high prices, fails to attract medium and low-income customers.

Offering Unhealthy Products

- Consumers are more health-conscious and turning away from sugared and unhealthy products.

Difficulty in Enforcing Patent

- Red Bull's recipe is difficult to protect since the company did not produce the ingredients.
- Any product can create a similar product with a different taste.



SWOT Analysis: Opportunities

Focus on Emerging Markets

- Red Bull can focus on emerging markets in **Asia, Africa, and Latin America** and benefit from growing middle-class, improved economic situation, and unsaturated markets.

Engage in Sports Fully

- Red Bull can further expand into sports for business purposes.
- For example, it can focus on building Red Bull Racing into the best in F1.

Introduce Healthy Products

- With health-conscious consumers, Red Bull can invest more in R&D to attain and offer healthy products.

Extend Product Lines

- It can extend product lines to offer more variety, new flavors, and target a wider segment in the market.

SWOT Analysis: Threats

Tougher Regulations

- Governments could pass tougher regulations targeting products with unhealthy ingredients.

Growing Health-Consciousness

- Red Bull consists of unhealthy ingredients, such as caffeine, concentrates, flavors, etc.
- Its brand is highly vulnerable to the ever-increasing number of health-conscious consumers

Looming Global Recession

- Expensive luxury products are the first products to be cut from the tight budget. Red Bull's revenues and profitability are threatened.

Increase in Imitations

- Emerging economies are acquiring the technologies to imitate valued products; Red Bull could have its profitability threatened further by this.

Stiff Competition

- Apart from Monster, Red Bull is facing competition from small companies that target niches with **quality but cheaper** energy drinks.





Marketing Mix



RED BULL GIVES YOU WINGS

pinterest, 2022

Red Bull's 5 P's

PRODUCT

- Red Bull's primary driver of sales is its original recipe variety.
- The idea came from a Thai non-carbonated energy drink called Krating Daeng.
- It contains caffeine, taurine, B vitamins, sucrose and glucose.
- It is mainly drank by workaholics, sports people and even youth who want to party at night.
- The drink is available in a tall blue-silver can with 2 red bulls on the front.



istockphoto.com, 2022

Red Bull's 5 P's

PRICE

- Due to its dominant market share, it follows a premium pricing strategy.
- In Canada, the cost of one can of Red Bull Energy Drink (355 ml) is \$3.67 (Walmart, 2022).
- They are the most expensive energy drink compared to competitors like Rockstar, Tzinga, Cloud 9, Gatorade, Monster and KS.
- The brand has managed to maintain its pricing strategy and has consistently grown.



waamall.com, 2022

Red Bull's 5 P's

PLACE

- Sold in more than 169 countries.
- It is sold via distributors and resellers such as supermarket chains, bars and restaurants and other outlets.
- The company does not sell its energy drink online.
- It is usually displayed in special Red Bull refrigerators in stores to differentiate from the competitors



RED BULL GIVES YOU WIIINGS. 

hashtagpaid.com, 2022

Red Bull's 5 P's

PROMOTION

- Millions spent annually to promote the drink to ensure it is at the top of the mind of those looking for energy drinks.
- Advertisements: mainly social media, TV, radio, streaming services, and sporting events.
- Famous tagline: "Red Bull Gives You Wings"
- It utilizes a proactive promotional strategy through specific events and programs: Red Bull Racing, Red Bull Stratus, Red Bull Paper Wings, Red Bull X Alps, Red Bull Crashed Ice, and Red Bull X Fighters.



startingbusiness.com, 2022

Red Bull's 5 P's

PEOPLE

- Target audience are 18- to 34-year-olds who have an average to high income, likes sports, extreme sports and athletic events.
- Red Bull works with various popular athletes and sport influencers (i.e., Breanna Stewart, Paul Rabil, Beauden Barrett, Dominic Thiem etc.).
- Consumer centric approach:
 - It accompanies its customers on the activities they love (hang gliding, skateboarding, etc)
- Student ambassadorship program in college sporting events.



Customer Analysis

Product Overview

Red Bull is an energy drink taken to improve mental or physical weariness or exhaustion.

“Red Bull Energy Drink is appreciated worldwide by top athletes, busy professionals, college students and travellers on long journeys.” – redbull.com

Key Product Ingredients: Caffeine, Taurine, B-Group Vitamins.



redbull, 2022

Red Bull targets people who are on the go, giving them wings to achieve their goals.
One of the main personas they target are college students.



AIMING HIGH THIS TERM?

College life can be a handful – but Red Bull will give you wings to fly through it.

Customer Analysis

Facebook Ads

Facebook Ads analytics indicates that top interests of individuals interested in Red Bull include:

- Physical Fitness
- Red bull Racing (F1)
- Extreme Sports
- Music
- Sports
- Parties
- Music Festivals



pexels.com, 2022



pexels.com, 2022

Customer Analysis

Google Trends

Google Trends shows that the queries most searched by people who Google Red Bull include many terms relating to the Red Bull F1 team (e.g., Red Bull Racing, Red Bull F1), sports and extreme sports activities sponsored by Red Bull (e.g., Red Bull plane swap, Red Bull rampage).

Other Sources

Secondary sources indicate that typical Red Bull customers are:

- Young adults aged 18-35
- Students or young professionals
- Average to high income individuals
- Interested in sports / athletic events, extreme sports, music, and social events like partying and music festivals.
- Typically seeking enhanced performance in mental and physical activities



Redbull Persona

Alex Thompson

Demographics

- Male 19-25 years old
- Student
- Single
- Varsity athlete
- Not living at home

Goals

- Participate in nightlife
- Maintain good grades to pass each semester
- Meet new people to broaden friend circle
- Feel like he's working at peak performance

Learns about new products and services from

- Podcast ads
- Social media ads
- Friends and peers

Frustrations

- Not enough free time, need to balance between nightlife, grades and getting enough sleep
- Need to belong and hold a certain status within friend group

Specifics related to project, ie., Phone Usage

- Uses phone frequently to listen to podcasts, find dates on Bumble, follow what his friends are up to on social media channels.

Benefits Sough

- Enhanced mental and physical Performance
- Sense of belonging

Psychographic

- Upper Class
- Reformer

pexels.com, 2022

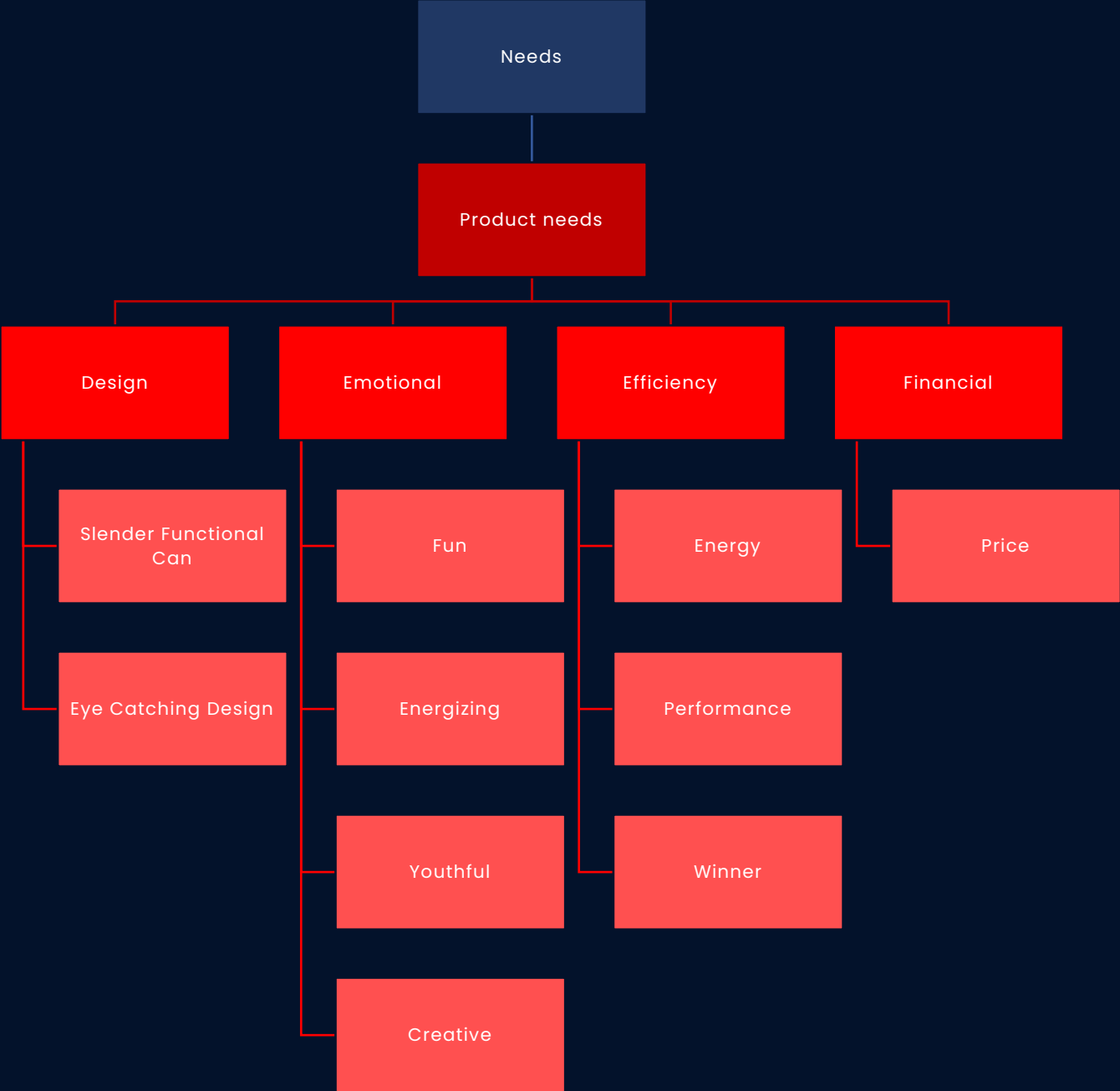


Favourite quote

"Hustle until your haters ask if you are hiring."

Just Culture

Customer Needs & Satisfaction Analysis



Persona Fields Determination



Demographics

We selected a student male persona as our ideal customer. This decision was based on information that was available on Google Trends, Red Bull website and general secondary research. It provided a great foundation in understanding what affiliate categories they might be interested in, and how we can fit that information into the overall profile.

Goals & Benefits Sought

Red Bull seeks to resolve a particular pain point. The problem that our persona seeks to solve is mental exhaustion and improved performance.

It also solves a deeper emotional problem, which is a sense of belonging, for Alex it could be in a sense of belonging with his sports team.

Frustrations & Benefits Sought

Common frustrations Alex faces, is balancing his night, social and sports life. He feels as if he doesn't have enough time in the day to balance all three. He uses Red Bull as a source of energy and creativity.

Specifics Related to Project

We tried to understand where Alex spends the remainder of his free time, in terms of where he learns about new products and how to best reach him using digital marketing.

Psychographics

We wanted to get a deep understanding psychographics because it's something that will help us segment even further when working on our marketing plan. Psychographic data gives us a more insightful look at the reasoning behind buyers' decisions.



Positioning Analysis

Positioning Analysis

Ansoff Matrix

The Ansoff Matrix was used to evaluate Red Bull’s positioning because they are an established global brand with a small product portfolio. In this analysis, Red Bull was positioned in relation to the US market.

Markets	New	Market Development	Partial Diversification	Diversification
	Existing	Market Penetration	Product Extension	Product Development
		Existing	Products	New



Positioning Analysis cont'd

Ansoff Matrix

- Red Bull is an established brand within the US market with a core product offering limited to energy beverages
- To continue driving growth for Red Bull in the US market, three positionings are available; market penetration, product expansion, and product development
- Red Bull's recognition as an energy drink brand prevents product development as consumers may not accept non-energy drink products from the brand
- Expanding the existing energy drink portfolio through new flavours or formulas may not drive significant growth for Red Bull and could instead cannibalize sales of their existing offerings
- As a result of this need to grow sales of their existing product line within an existing market, Red Bull is positioned in the market penetration section of the Ansoff Matrix



SMART Goals

Goal I

Leveraging Scarcity to Drive Interest

Drive increased interest in Red Bull and a corresponding 5% increase in USA search engine and website traffic by the end of 2024 by developing quarterly, limited-edition product releases in collaboration with aspirational brands who align with Red Bull's target consumer.



Specific

Implement a quarterly limited-edition collaborative product launch plan for the US market in 2024.

Measurable

Measure changes in brand interest by evaluating growth in branded keyword search engine traffic and website traffic for Red Bull.

Achievable

Leveraging partnerships with established aspirational brands and existing brand recognition will create the "fear of missing out" (FOMO) and entice consumers to visit the site to learn more and purchase the limited-edition products similar to the "drops" made by luxury fashion brands.

Relevant

Product collaborations will be with brands that are closely associated with Red Bull's marketing spaces such as beverages, events, and athletics.

Time-Bound

Product launches will occur quarterly during the 2024 fiscal year with the opportunity to extend dependent on campaign performance.

Goal II

Increasing Customer Lifetime Value

Implement a comprehensive E-CRM strategy in Q3 2023 leveraging an omnichannel loyalty program to increase customer lifetime value, driving a 100-basis point increase in US unit market share by the end of Q2 2024.



Specific

Implement E-CRM strategy leveraging omnichannel loyalty program to increase customer lifetime value.

Measurable

Measure effectiveness of tactic using US unit market share data.

Achievable

Leverage strong American distribution to introduce loyalty program to consumers. Customers (retailers) are likely to adopt the program as it will be funded by Red Bull and drive increased POS sales in stores. Consumers are likely to adopt the program as it will provide an increase in perceived value by providing a reward for choosing RedBull over competitor brands.

Relevant

Red Bull is an established brand in the US market having the most market share of any other energy drink brand (Ridder 2021). To maintain or grow share, incremental promotion should be implemented along with developing a stronger relationship with consumers.

Time-Bound

Launch program in stores at the start of Q3 2023 to drive 100 basis point gains in unit market share in the US market by the end of Q2 2024.



Goal I



RedBull x OVO Campaign



Why October's Very Own (ovo)

- Wide International Following
- Targeting similar audience:
 - Young audience
 - High Income
 - Interested in Luxury Products
- Social listening trends indicate high popularity in collaborations i.e.:
 - Jollibee x Antisocial Social Club
 - Ben & Jerry's x Nike
- Popular North American brand that will help RedBull reach its SMART goal efficiently



Target Audience

Demographics

Both brands target similar audience.

In terms of demographics, they put a particular focus on high household income, age range of 16-35 years of age both male and female.

Psychographics & Benefits Sought

For both brands in terms of psychographics; social standing, sense of belonging, sports, and achieving goals is of high importance. All which can be achieved by association with RedBull and OVO, satisfying the Esteem Level, of Maslow's hierarchy.

Behavioral

Looking at behavioral aspects of the audience, they look for exclusivity, collaborations, usage rate and desired features.

Customer Interests

OVO's audience tends to be interested in hip-hop and rap music like Drake and The Weeknd, music festivals, partying, nightlife, and other luxury clothing brands such as Supreme, Vlone, Gucci or Palace.

Audience Intersection

We can see a large overlap between the Red Bull and OVO audience. They both tend to be younger in the higher income range, and both are fans of social activities, partying and music / music festivals.

Customer Profile

Mia Jefferson

Demographics

- Female 22 years old
- Student
- In Relationship
- Varsity Volleyball Setter
- Living on Campus

Goals

- Maintain High Reputation
- Be a Trend Setter
- Participate in Social Events
- Work at Peak Performance

Learns about new products from

- Word of Mouth
- Internet Surfing
- Social Media Ads

Frustrations

- Need to be always recognized as a trend setter
- Having enough stamina to play and socialize at peak performance to maintain leader image

Benefits Sought

- Exclusivity
- Sense of belonging

Psychographic

- Upper Class
- Striver

The customer profile was based on Google Trends and secondary research.





Distribution Channels



esquireme.com, 2022

Collaboration Announcement

OCTOBERS VERY OWN FESTIVAL 2023

RedBull x OVO collaboration will be announced on July 29, 2023, at the OVO Festival. The attendees will have exclusive early bird access to the merchandised items right at the festival.

The main merchandise drop will happen online at midnight on August 18, 2023.

The two main distribution channels the collaboration will focus on are OVO e-commerce websites and Google Ads. The distribution will be **public**, so a broader audience can be reached, and the goal achieved.



E-Commerce Website and Google Ads

Direct Sales

Merchandise will be sold directly on the OVO (**owned**) website. The goal of this strategy is to offer interested end-users a seamless purchase process through **owned** platforms.

In-Store Sales

The customer will also have access to merchandise directly in OVO stores & festival pop-up shops.

Google Display and Search Ads

Google search and display ads (**paid platform**) will be used to target customers in the consideration stage of the conversion funnel. These are the customers that already are aware of the RedBull and OVO brand, that may need an additional push to go into the decisional level of the funnel.

To support the decisional level of the funnel RedBull will utilize YouTube and Instagram social media platforms.



Social Platforms & Content Type



From Business Goal to Social Media Plan

Leverage OVO's fan base on Instagram and YouTube

- Our goal is to drive interest in the Red Bull brand by developing limited product releases in collaboration with October's Very Own (OVO), a brand whose customer base aligns with Red Bull's target demographic.
- We have developed two SMM SMART goals that will help promote our limited product launch on Instagram and YouTube by leveraging OVO's audience to market our collaborations to their fans, who share many qualities with Red Bull customers.
- If our SMM SMART goals are met, it will garner a lot of attention in the fashion community, substantially increasing the media exposure that Red Bull gets, resulting in increased overall brand interest and search engine / website traffic for Red Bull.



Channel 1: Instagram

Leveraging an existing audience for photo and video content

- Instagram attracts a younger audience, aligning with the customers of OVO and Red Bull.
- Instagram has an engagement rate much higher than that of Facebook or Twitter, which will help us attain the level of engagement we're hoping to see with the collaboration content.
- The platform's focus on images and video make it the ideal option for showing off the selection of clothing articles in our product line.
- Using this channel will allow us to leverage the over 1.5 million followers of the OVO brand on Instagram, helping the collaboration gain traction with potential customers relatively quickly.
- Content will be laid out as follows:
 - A **video** showing clips of the products and highlighting aspects representative of the Red Bull brand (e.g. extreme sports, F1 Racing, or success)
 - A **photo** post showing a celebrity or other notable figure wearing various items from the collaboration (e.g. Drake, Max Verstappen, or Travis Pastrana)
 - A **photo** post showing all collaboration items being worn by models.





Channel 2: YouTube

The platform of choice for Community Publishing

- YouTube now attracts 2.6 billion users per month.
 - The average time spent on YouTube per user is 18 minutes, supporting the decision to limit the documentary to under 10 minutes.
 - The YouTube algorithm can be leveraged to push similar content next to Drake's music videos such as the promotional documentary.
 - YouTube claims that half of all channels on YouTube have an impressions CTR (Click-Thru Rate) that can range between 2% and 10%.
 - Drake's total viewership is 13.6 billion views spread out over only 172 videos.
 - Achieving the viewership goal of 2.5 million is very realistic.
 - Content will be laid out as follows:
 - A short 10-minute documentary explaining the motivation for the two companies coming together, a tour of the garment production facility, and interview clips from celebrity ambassadors.
- brand





Content Tone

Content Tone

Cool, relaxed, informal but informative

The overall tone of the content will be cool and relaxed, and while providing general information about the collaboration, such as product release dates and brand names, the content will focus on themes shared by the overall brand images. For example, content will focus on models / celebrities behaving casually wearing the gear in locations they might typically be found, like at a F1 racetrack, a popular skate park or a concert.



SMM SMART Goal I

YouTube – Tease Collaboration Through Video Content

Tease collaboration and increase campaign awareness prior to launch by releasing a short, sub 10-minute video documenting how the two companies came together, their shared values, and finally offering a sneak peek at the upcoming offerings. To be considered successful, the video should receive 2.5 million views in the three-week period before the launch, driving users to a countdown page on the OvO website.



Specific

Drive users to the OVO webstore by teasing the campaign with a short documentary and linking users to a countdown screen in the video description.

Measurable

We aim to obtain 2.5 million views on the video through the platform of choice.

Achievable

Drake's YouTube channels features 27.2M subscribers and 13.6B views since 2009 which will help us assist this goal.

Relevant

Driving users to the OVO site results in a collaborative benefit for both Red Bull and OVO in terms of product sales for OVO and for Red Bull. Red Bull stands to gain an enhanced brand reputation and interest by association.

Time-Bound

The content will be released 2 weeks prior to product launch.

SMM SMART Goal II

Instagram – Show off Product collaboration using Photo & Videos

Show off the collaboration product set by posting photos and stories featuring the product collaboration Instagram. Some Instagram stories posted around the same time as these are released.



Specific

Raise awareness and engagement of the brands collaboration by making several posts related to the new products on Instagram.

Measurable

The campaign will be considered successful if each post to have 50-60k likes and 500 comments on each post.

Achievable

The October's Very Own Instagram page has over 1.5 million followers, and collaboration posts typically get this level of interaction, even more so when the brand is recognizable like Red Bull.

Relevant

Posts on the OVO Instagram page will get people talking about the brand on social media and in person, as well as get attention from fashion bloggers around the world – driving awareness of the collaboration, and Red Bull itself.

Time-Bound

These posts will be released 0-2 weeks before product launch.



Psychological Tactic 1: Social Proof

Leverage High Engagement Rates on Instagram

- We will leverage OVO & Red Bulls large social media following and the hype surrounding brand collaborations in the luxury clothing industry to generate social proof via Instagram.
- The amount of engagement we should see with our collaboration via likes, comments, and shares, will be facilitated by the fact that we chose Instagram as one of our social media marketing platforms - a platform with a higher engagement rate in comparison to its main competitors.
- Being able to see friends and people you relate to engage with the brand collaboration content, showing positive feelings and supporting the collaboration, will show people that the product is liked by people like them and make them more likely to engage with the product.





Psychological Tactic 2: Scarcity

Leveraging Scarcity in an already Scarce Market

- In the luxury clothing industry, especially with brand collaborations, there is an implied sense of scarcity for items produced as they are usually one-off collaborations – this is especially so with highly sought-after brands like OVO.
- Additionally, in our promotional media we will emphasize the limited number of articles being produced by specifying the limited production number “e.g. only 1,000 produced” to create a high demand, inducing FOMO into our audience.



Complete Timeline



The graphic above represents a realistic timeline for the campaign. Please note that this timeline includes ramp up prior to the campaign. Representations of time in this GANTT format are not necessarily to scale.



KPI's and Goals

Measuring the Success of the Campaign



Social Media

YouTube KPIs

- 3-4% CTR after initial impressions appearing next to Drake's other content.
- Acquisition traffic on OVO store via YouTube is substantial (around 5%).

Instagram KPIs

- Acquisition traffic on OVO store from Instagram is substantial (around 7%).

Distribution Plan

Website KPIs

- Number of Daily Visitors (14k)
- New vs. Returning Users
- Bounce Rate (14%)
- Top Channel Acquisition
- Avg. Time on Page
- Exit Pages

E-Commerce KPIs

- Revenue
- Transactions
- Avg. Order Value (\$300+)
- Cart Abandonment (under 60%)

Overall Indications

The campaign is designed to support the SMART Goal of generating 5% increase in USA search engine and website traffic by the end of 2023. We believe the based on the strong positioning of each brand we would be able to achieve this goal. Both brands have strong brand images as well as social media following to easily reach the set out SMART goal.

Knowing that the customer base is clearly defined we are able to tailor our psychological tactic to smoothly lead potential customers through the sales funnel and guarantee purchases with push and pull type of messaging on social media and distribution channels.

The limited time merchandise will be perceived as high value. Similarly, as with previous limited time collections, the merchandise bought during the campaign will grow exponentially in value overtime. This is one of the keyways that the campaign is going to appeal to our target demographic and again, drive interest and sales.

Closing Remarks

