

The Impact of Social Media Marketing on the Energy Drink Industry: A Case Study of Red Bull

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Abstract:

As Red Bull dominates in the market share and is well-known for its special social media marketing strategy, this article intends to explore how Red Bull's approach to marketing, particularly through social media, has been instrumental in building its brand identity and connecting with consumers. Through an in-depth analysis of Red Bull's strategies on various social media platforms, this study examines the company's distinctive approach, particularly its use of Search Engine Optimization (SEO). The analysis highlights the most prominent features and advantages of each platform, revealing how Red Bull has successfully built a strong brand image and expanded its brand influence by leveraging the power of social media. Undeniably, this success stems from Red Bull's strategic approach of tailoring its brand message to suit each platform, thereby maximizing the utility and impact of its social media presence. The study also provides further actionable recommendations for Red Bull to enhance its social media strategy. Key suggestions include increasing the use of User-Generated Content (UGC) to reduce production costs and enhance authenticity, optimizing resource allocation through data-driven analysis to focus on high-impact marketing activities, and forming strategic partnerships to share costs and resources, thereby expanding reach and boosting brand presence. These strategies not only address current challenges but also offer a blueprint for other companies aiming to refine their social media marketing efforts.

Keywords: social media, content marketing, brand image, SEO, UGC.

1. Introduction

After the gradually-growing popularity among the global population since the 1990s, social media has expanded its great impacts on human society, not only in the way people communicate with each other, but also helped shape the relationship between different economic entities in the marketplace [1]. Traditionally, marketing strategy was mainly instructed by the tenets that following mass marketing approaches during the 1960s to 1970s, which appeared to have gradually lost some of its effectiveness [2-4]. While with the spread of the internet, the popular in social media is reaching billions of users, and is changing the marketing rules. The great power of social media on marketing has long been discussed and proved in many studies. Content marketing strategy is used as a crucial technique for a company. News and content play an important role in bringing clearly-defined audience to the website-in purpose of making profitable actions [5]. They are a magic weapon to increase user stickiness, improve platform activity, and attract advertisers. For some companies, creating their own content also gives the brand a new

revenue model, from creating content, sharing content, and finally gaining profit through content [6]. Importantly, marketers are facing the challenging survival situation in which the rules of the game are highly in favor of the empowered customers when customers are presented with more opportunities and can take more control of the marketing communicating process[7-9].

Under such circumstance, engaging the social media and converting it as part of the strategy tools are essential to many companies' marketing teams [10]. And it has become a strong motive for marketers to engage in with the growing number of social media and online customers [11]. Companies are using media under purposes of expanding their business range around the globe, building stronger relationships with buyers, and empowering brand image and value [12-14]. Attempts focusing on attracting buyers attention on social media have widely been made to improve competitiveness, mainly via websites, televisions, and celebrity sponsorship.

This article will take Red Bull as an example to explore its marketing strategy on social media and analyze the value of this strategy in the market. Inspired by East Asian

functional drinks, Dietrich Mateschitz, the founder of Red Bull, launched Red Bull Energy Drink in Austria on April 1, 1987, creating a new product category—energy drinks. Due to the high cost of traditional marketing methods, Red Bull promoted its product in another way it innovatively sponsored and hosted extreme sports to enhance brand awareness and shape its brand image. In 2007, Red Bull established Red Bull Media House to shoot and publish video content when hosting extreme sports. These measures had enabled Red Bull to quickly take a great market share and became an industry leader, and it has remained so to this day. In 2023, Red Bull sold a total of 12.138 billion cans, with sales, revenue and operating profit reaching new highs [15].

This article will analyze the strategic steps that Red Bull took in social media marketing. It is divided into three main parts. The first section is strategy basis of Red Bull, which is explained with regards to brand image, positioning and market analysis. The second part discusses Red Bull's adaptable social media strategy, segmented into official and unofficial channels, highlighting its tailored approaches for engaging diverse audiences and maximizing brand presence. It also proposes potential platform-specific shortcomings and offers solutions to improve the strategy's overall effectiveness. The third part offers a comprehensive perspective by providing three detailed analysis of overall marketing solutions to enhance the effectiveness of the company's marketing efforts across all platforms. Section 4 presents concluding statements and briefly discusses the limitations of the study and possibilities for future research.

2. Current State of Development of Red Bull

2.1 Red Bull Brand Image

Gaining popularity among people, the slogan *Red Bull gives you wings* was a success in persuading people who live on the edge and who always challenge themselves with extreme sports by delivering the message that drinking Red Bull will make it easier for them to perform well in various aspects of life. It is not just the product being promoted and sold, but also the way of life—one of adventures and excitement, which Red Bull had closely linked to with their product. And customers who want to live such a life would pay for it willingly. Accordingly, emphasis on great content marketing of such an active lifestyle has earned the brand nearly 1 billion views on YouTube and more than 400 thousand clicks on their links that lead to the product content.

2.2 Red Bull's Brand Positioning and Market

Analysis

Red Bull is positioned as an energy drink, emphasizing that drinking Red Bull provides focused energy, vitality, mental alertness, and enhanced endurance. The primary target audience includes young consumers, highly mental workers and manual workers, as well as athletes worldwide, especially extreme sports enthusiasts. Red Bull's brand strategy is based on a deep understanding of consumer market characteristics and needs. By sponsoring and organizing extreme sports events such as Red Bull Ultra Natural and Red Bull Stratos, the brand aligns itself with high-energy, high-challenge activities. This positioning not only enhances Red Bull's recognition and appeal within its target market but also establishes a solid foundation for its social media marketing efforts, making its content more engaging and shareable.

3. Red Bull Social Media Marketing Strategy Analysis

3.1 Red Bull Official Social Media Strategy

3.1.1 Red Bull's UGC strategy

It is normal for many practitioners to share the view of the close relationship between social media and the user-generated content [16]. User-generated Content (UGC) provides technical and service support for ordinary users to create and share in a Web 2.0 environment. These tools not only offer basic content creation and publishing features but also provide customized and diverse display options [17]. The popularity of UGC is largely due to the widespread use of social media and the convenience of online content sharing. The development of smartphones and mobile applications has made it easier for users to create and share content, social media has enabled the customers to create, edit, and disseminate their thoughts, transforming their roles from content-consuming to content-generating, leading to a rapid increase in UGC [16]. UGC plays a crucial role in marketing because it offers authenticity and trust that traditional marketing cannot achieve. When consumers see positive reviews shared by others, they are more likely to trust and purchase the product or service.

Red Bull encourages UGC by sponsoring and hosting extreme sports events. Fans and followers share their extreme sports experiences with Red Bull and others by joining in brand-specific hashtags on social media. Red Bull then reposts the best or most interesting, tagged videos, interacting with the target audience. This co-creation activity attracts more people to challenge in the hashtag, encouraging a large number of people with talents to engage in the UGC activity to produce more and more

high-qualified and popular content [18]. Additionally, those content can be repeatedly shared on social media and other platforms, further boosting brand visibility and attracting new audiences. Drawing in new audiences means more traffic on the brand's website and social pages, which also helps improve the brand's SEO. It results in the enhancement of user engagement and brand exposure. And more importantly, it is more likely to convey visitors into customers—contribute to a growing conversion rates. Red Bull's strategy is a prime example of using UGC to enhance brand authenticity and trust while expanding its market influence.

3.1.2 Red Bull official to publish high-quality content

Red Bull focuses on creating, producing and distributing various media content through Red Bull Media House. Red Bull keeps accumulating innovative and high-quality content by hosting and sponsoring extreme events, and disseminates it on various online platforms, third-party media and its own channels. Almost every content has caused tremendous attention and big trends from the public after releasing. Red Bull Media's successful cases include the Red Bull Stratos program, which received more than 8 million views on YouTube live broadcast in 2012. Another program, the Red Bull Kluge event reached a total of 1 billion views on the Red Bull YouTube homepage. Red Bull Media House hosts and broadcasts extreme sports events and produces high-quality documentaries. These activities not only provide extraordinary rich entertainment experience, but as well demonstrate to the audience the vitality and innovative spirit of the brand. Red Bull Media has successfully linked the brand closely with consumers and built a unique brand image through its outstanding content production and promotion methods.

3.2 Red Bull Unofficial Social Media Strategy-cooperation with Various Platforms

In response to the pressures brought about by market changes, Red Bull has actively innovated its marketing strategies [2]. Utilizing the 4I principles, Interest, Interests, Interaction, and Individuality. Red Bull conducts online marketing activities from the user perspective, the main purpose of which is to attract users' attention, encourage user participation, increase brand stickiness, strengthen brand credit and create purchase rate. Also, crossover cooperation has been a major step on improving brand exposure and impact with sports. This marketing approach, characterized by diversification, cooperation, and innovation, has enabled Red Bull to secure a favorable position in market competition, facilitating continuous brand expansion and growth.

Cooperation with multiple social media, such as Twitter,

Instagram, and YouTube was made to reach the largest group of potential customers. Importantly, while utilizing media platforms for real-time engagement, customer service, and sharing news and updates, different strategies were used accordingly on different social media to maintain a significant presence, with officials responding immediately to comments and questions to maximize branding effectiveness.

3.2.1 Marketing strategy on YouTube

Red Bull primarily releases extreme sports videos, live broadcasts, documentaries, and behind-the-scenes footage on YouTube. As the largest video sharing platform in the world, YouTube has a broad user base and is the ideal medium for disseminating original action sports content. This strategy aligns with the Interest Principle of the 4I theory, focusing on high-quality video production that delivers a strong visual impact and captivates viewers. By serializing the videos, Red Bull ensures continuous engagement and sustained interest, maintaining long-term audience attention.

As a great example of successful sports event, Red Bull Stratos, Red Bull had set up a special video column and conducted a three-hour continuous live video broadcast for it on YouTube. It attracted nearly 30,000 people to watch the 43-year-old man Felix dived from a helium balloon at a 39-kilometer height at the same time. Reaching a top speed of about 1357 kilometers per hour made himself the first person to break the sound barrier during the diving and set many world records. In the end, the live video had received over 8 million views, surpassing the previous record of 500,000 views held by the London Olympics for a single video. With Felix's success, Red Bull raised a skydiving FAD among the young generation and adventurous people and won great reputation among them. The positive relationship between the extreme sport and energy drinks was shown in the event. People would relate the great performance to the brand image unconsciously. Leaving such a deep impression also gain interest of some people over the brand, and that will help to enlarge the potential customer group. It also had encouraged Red Bull to host and sponsor more relative events to express the brand spirit and the enhance the brand image.

Till now, the official account of Red Bull on YouTube has reached a number of more than 17.5 million subscribers. And it is always one of the most-viewed channels on YouTube. The success of Red Bull credits on the high-qualified sponsoring event and well-conducted broadcast content. Though, sometimes it could be hard for users to made an accurate search for Red Bull related content online. After putting down a key word, the algorithm of the platform will recommend relative content to the users.

Red Bull exhibits an overreliance on platform algorithms, which to some extent limits the brand's visibility in search results. To maximize search success rates, practical strategies need to be considered. For instance, SEO optimization strategies could significantly enhance Red Bull's online presence. Red Bull should increase its focus on keyword research and the utilization of long-tail keywords. Tools like Google Keyword Planner and SEMrush can be employed to conduct in-depth research on popular keywords related to the Red Bull brand, extreme sports, and associated themes. Effective keyword selection can enhance the chances of being recommended on search result pages, thereby driving better video traffic and overall brand awareness. The use of long-tail keywords can capture traffic from users searching for keyword combinations related to the target keywords, providing more targeted coverage and a comprehensive reach to users.

3.2.2 Strategy on Twitter

Red Bull uses Twitter to disseminate brand-related news, event updates, game results, and real-time emergency information, thereby providing users with the latest information they seek and want. This approach aligns with the Interests Principle of 4I Theory, meeting users' needs for timely and relevant updates. At the same time, Red Bull organizes various interactive activities on Twitter, such as voting, Q&A, and lucky draws, to encourage much more heat discussion of the newest topics. The newest information as well as the official activities online can keep people interested in the topic and the brand. The high user participation and interactivity can not only maintain real-time interaction with users as to improve the brand's user stickiness, but also further heat up the topic in public and raise wider range of discussion, which is rather beneficial for brand awareness in market. When publishing interactive content, Red Bull uses hashtags and hot topic tags to increase the visibility and reach more users, thereby increasing the brand's exposure and influence.

3.2.3 Strategy on Instagram

Red Bull vividly showcases brand activities and products by publishing high-quality pictures and short videos on Instagram. In addition, Red Bull makes full use of the Instagram Stories feature to release temporary content, such as event sites and behind-the-scenes footage, to ensure the immediacy of content and user interest. These intuitive visual effects not only attract a large group of users but also effectively convey the core value of the brand. At the same time, Red Bull cooperates with extreme sports celebrities to further enhance the brand's visibility. By doing so, Red Bull can expand the brand's promotion range through these people who have great influence among their fans

and strengthen its brand image as an extreme sports energy drink. Such strategy has achieved a lot, especially for the cooperation with the celebrities. However, as much is achieved on this fast-paced platform, there are still something neglected that diminishes the effectiveness of the content. The information and content are overwhelmingly renewed and replaced by new ones in seconds. So the exposure time and views of the content will be highly limited. It is recommended to increase the frequency of Posting during mainstream user active hours to maximize the visibility of content. Then when large flow of information rushes in, the frequent renewal can ensure a considerate exposure to users.

3.2.4 Strategy on TikTok

Red Bull's social media strategy on TikTok makes full use of the platform's hottest and most popular challenges and trends, presenting extreme sports challenges and behind-the-scenes content in a similar manner to create eye-catching short videos that attract a young user base. This strategy aligns with the Interaction Principle that Red Bull can take advantage of platform's potential for viral dissemination to rapidly promote short videos, further enhancing brand exposure and influence in a short time frame. This approach to content creation and dissemination not only aligns with the nature of the platform but also reflects Red Bull's dynamic and innovative image. As one of the best platforms for maintaining customer interest, TikTok is widely used as a crucial promotional tool.

4. Suggestion

While various platforms may present unique obstacles in the execution of social media strategies, the underlying issues are consistently relevant for Red Bull. Specifically, from a more holistic perspective, Red Bull confronts several principal issues in its social media promotion efforts, including the high costs associated with the production of marketing content and suboptimal resource allocation. The former implies that the substantial costs associated with marketing content production may place significant pressure on the company's overall marketing budget, thereby constraining the allocation of funds to other promotional activities. The latter issue is also of significant concern, particularly in terms of the strategic distribution of resources across various social media platforms to maximize the effectiveness of promotional initiatives, thereby mitigating the risks of resource wastage and imbalance. In response to the identified issues, three potential solutions are presented below. First, to address the cost pressures associated with producing high-quality content on social media, Red Bull could consider increasing the proportion of UGC utilized. UGC, which encompasses con-

tent created and shared by users, such as photos, videos, and reviews, can provide a means to alleviate the financial burden of professional content production teams while simultaneously enhancing content diversity and update frequency. The extensive variety and large volume of UGC provide Red Bull with a rich data source, enabling the company's marketers to gain deeper insights into consumer behavior, interests, and preferences. The breadth and diversity of this information assist Red Bull in enhancing the accuracy of consumer understanding, thereby allowing for more precise targeting of audiences and the development of effective marketing strategies during market analysis and decision-making processes [19]. Moreover, UGC often possesses greater authenticity and relatability, which contributes to the establishment of brand credibility and the attraction of a broader audience. Therefore, Red Bull should adopt a positive approach towards a UGC-driven marketing strategy. By systematically incentivizing, collecting, curating, and utilizing UGC, the company can not only reduce content production costs but also enhance brand value and increase user engagement.

Second, regarding the maximization of resource allocation, Red Bull can adopt a selective sponsorship strategy, focusing on events that offer the highest potential for exposure and brand impact while minimizing investment in low-return activities. Specifically, by utilizing data analytics tools to assess the effectiveness of various activities in enhancing brand equity, Red Bull can not only optimize resource allocation but also enhance the brand's overall market performance. In detail, employing social media analytics platforms such as Hootsuite, Sprout Social, and Buffer allows for tracking user engagement, evaluating content performance, and analyzing the brand exposure and user participation associated with its events on social media. These tools provide comprehensive data and insightful analysis, enabling Red Bull to understand the actual impact of different activities, thereby facilitating more informed decision-making. Furthermore, by integrating sales data with historical event analytics, Red Bull can identify characteristics of high-return events. This strategic approach will assist Red Bull in selecting sponsorship opportunities that promise high potential returns, broad audience reach, and strong alignment with the brand's target market.

Third, furthermore, to maximize resource allocation efficiency, forming strategic partnerships is an effective strategy that Red Bull can adopt. By collaborating with other brands or organizations, Red Bull can not only share the costs associated with event sponsorship but also benefit from shared market resources and audience bases. To achieve these goals, Red Bull should actively seek strategic partnerships with brands in related fields,

such as sports brands and technology companies, to co-host sports events. The first aspect of this strategy directly reduces Red Bull's overall expenses in event planning, thereby providing significant economic benefits. The second aspect allows for the integration of resources and the resulting synergy, which enhances Red Bull's competitive advantage in the market. In detail, partnerships with technology companies can provide essential resources in terms of technical support and innovation. Red Bull can integrate these technological resources into its promotional videos, thereby significantly enhancing the technological sophistication and visual appeal of the content. Not only that, but also collaborating with sports brands allows Red Bull to leverage their existing customer base and marketing resources for promotional activities. This approach not only enhances Red Bull's market coverage but also fosters mutual promotion effects through cross-brand collaboration, thereby contributing to an increased market share and elevated brand awareness.

5. Conclusion

Red Bull uses and encourages UGC and Red Bull officials to publish high-quality content. Concerning its unofficial strategy, Red Bull focuses on giving targeted strategies on different social media platforms to maximize the advantages of platform characteristics and user groups. Cooperation with many mainstream media platforms is made to increase brand exposure through the wide coverage and influence of these platforms. Meanwhile, Red Bull differentiates its content across various media platforms by leveraging each platform's unique interactivity and strengths. This approach allows the brand to engage with fans of varying characteristics, fostering broader communication and enhancing fan interaction and loyalty. Most importantly, fans of all social media platforms will become potential customers of Red Bull. Red Bull can significantly enhance its social media influence by continually innovating and implementing a multi-platform strategy, while optimizing resource utilization and cost-effectiveness in promotional video production. This analysis provides valuable insights for e-marketers interested in understanding Red Bull's social media marketing strategy and gaining a deeper understanding of the distinctive features of various social media platforms. By examining the advantages and disadvantages of each platform as demonstrated through Red Bull's approach, this analysis serves as a reference that can inform and guide the development of their own marketing strategies. This paper presents only basic analysis of the marketing strategy on social media. Future research should focus more on the exploration and analysis of the efficiency of different marketing strategies

on different social media platform, and also the potential change of the strategy that could be made according to the social trend.

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