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CASE STUDY REDBULL Case Study Red Bull " Market Environment: Political" There are major differences between privately owned andcollectively owned capital where privatization is more profitable (Miller 2012, p. 1). Many entrepreneurs are investing in privatization where they gain huge profits. The founders of Red Bull sought freedom through privatization where Red bull enjoys huge profits (Miller 2012, p. 1).
National and local government policies influence the market environment by defining how companies should enter, operate, and quit the market. The government advocates for brand protection as in the case of Red Bull where it takes brand protection very seriously and warns people against buying counterfeit goods since it is against government policies (Red Bull 2014, p. 1).
Activities of various professional bodies, trade unions, pressure groups, and voluntary associations influence the market environment. For instance, the action of Morrison to ban the sale of high caffeine energy drinks to kids under 16years in the UK supermarket affected Red Bull since it also posed health fears over kids for having too much caffeine (BBC 2013, p. 1).
Market classifications and competition standards influence the market environment and the level of competition in the industry. Monster offers great market competition to represents the Red Bull thus threatening its market share (Passport 2013, p. 6).
Political stability affects the market environment as it defines the market conditions and political support on the industry (Team London Bridge 2011, p. 1). Subject to political stability in UK, Red Bull introduced the sugary drink in the country a decade ago and established permanent operations (Team London Bridge 2011, p. 1) and success (Arlidge 2004, p. 1).
Government bureaucracy can also affect market environment by initiating customs or regulations to certain products. Indeed, lawmakers, Food, and Drug Administration in US are seeking to impose new restrictions in marketing Red Bull to children (Forbes 2013, p. 1).
Market research derives significant market information that derives a better understanding of the market environment (FAO n. y, p. 1). Indeed, good market information helps entrepreneurs to make wise market decisions and establish effective market strategies (FAO n. y, p. 1).
Planning also influences the success of a business in any market environment. For example, Red Bull adopted buzz marketing to create a brand image with a sporting culture to dominate the U. K soft drink market despite the eminent competition from established companies (Bized 2012, p. 1).
Works Cited