

Event marketing – the lessons from red bull strategy

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There are few brands that can offer more lessons in how to approach the next generation of marketing than Red Bull. Focusing their strategy on earned media, cultural integration and value creation, Red Bull's approach is pioneering, and a template that many brands would love to follow. However it's also proven a difficult strategy to replicate, specifically because just how different it is from the traditional marketing model. It's definitely not just about sponsoring a couple of youth events and calling it a day.

The scale of Red Bull's commitment to non-traditional marketing is unprecedented. As far back as a decade ago, Red Bull was spending more than 80% of their significant marketing budget on non-measured media. That's completely inverse to the traditional marketing formula of focusing on packaged communication messages and the broadcast media to spread them. Core to Red Bull's success has been their unique strategy of focusing on brand-owned events.

It struck me that one of the best ways to make the point about what it takes to seriously succeed at their level and at this game was to show the scale they are operating on. Creating vs sponsoring After sponsoring a handful of existing events early in the brand's history, Red Bull made a strategic decision to create their own events and have followed this direction consistently ever since. This is a hugely important differentiator for them, and sets them a league apart from sponsor brands : . Early investment becomes equity As a sponsor brand, the more important and popular the event becomes, the more it costs. However Red Bull's initial investment in creating the event quickly starts paying compound interest, and as the event grows in stature they reap all of the rewards while costing them only the

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maintenance of re-running the event. 2. Sole-branding Most big events have their platinum, gold and silver sponsors. How much are brands really getting out of these sponsorships?

And if you want to distinguish your brand by putting your name on the event, be prepared to shell out mega bucks. Red Bull on the other hand is the title sponsor for every one of these ninety events, and their branding is ubiquitous and seamlessly integrated into the event rather than tacked on and diluted amongst a hundred other sponsors. There is no question who is putting on the event and responsible for bringing it to everyone and making it happen.

3. Authenticity and credibility For me there is a big difference with a brand simply paying to have their logo attached to something, and with a brand who puts their energy, resources, and creativity to work in bringing something to life themselves, even if it is of course delivered behind the scenes by a host of event and activation agencies. There's a different level of commitment involved, and a different type of authenticity and credibility is conferred to the brand as a result. Successful creation signals commitment to and deep understanding of the space, whereas anyone can pay to logo-ize something.

I'm not saying sponsorship is always a bad thing by any stretch, but I'd argue it definitely lacks the same resonance with the audience. 4. Underground up There is something powerful about how so many of these Red Bull events started out small and local, and have grown to be big and hugely important and influential amongst the athletes and their fans. Athletes themselves say

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voluntarily that many of these events are as important or second only to the X-Games in stature and importance to their career. This is huge for authenticity with their target.

Red Bull has grown up with it's audience, and them with it. 5. Control Last point on creation vs sponsorship is about control. Namely, when you own the event, you do what you want with it. You control the promotion, the PR, the messaging, the branding, when it happens, where it happens, who's involved. Everything. Even as a long-term sponsor of an event, you are ultimately at the mercy of the event's owners and along for the ride.

Longevity Many brands flit from campaign to campaign, with their event activation a tacked on component that is rarely addressed consistently.

Getting ommitment to ongoing events from a brand can be near impossible.

Red Bull is fundamentally different in this regard. They create experiences that generate value for the brand and then they build equity in them consistently over time, just as most brands would do with important product innovations and sub-brands. This is hugely cost effective compared to reinventing the wheel every year, and it ensures the brand becomes fundamentally woven into the lives of the athletes and influential consumers they wish to reach, as Red Bull is guaranteed to be part of their year, every year.

Plus the audience often scales in size annually. Flugtag and Red Bull Soap Box race are now yearly highlights for many consumers, reaching in-person audiences of hundreds of thousand of people in many cities. In Brazil over one million people turned up for the Red Bull Air Race. From the list below

you can see sponsorship of some events such as Flugtag reaching back all the way to 1991, but the vast majority of the events they've created over the years are still ongoing, year after year.

Depth and breadth. Another key differentiator with Red Bull is the incredible effort they have gone to in order to "own" action sports and become embedded in youth culture across the board. They have quite literally gone after every action sport you can think of, and in a number of cases essentially created their own sports. They've since started attacking music and art with the same vigour. Where most brands are happy to tack on their logo to a handful of events in a year and call it a sponsorship strategy, Red Bull is literally ubiquitous.

In many cases they are absolutely essential to the vitality of the sports they sponsor. Use creativity to reinforce the brand and create cut-through. Looking down the list, another thing becomes immediately clear — all of the events sound awesome. "Last Man Standing". "Down and Dirty". "Exodus". "Chopper Assault". "City Rage". "Heavy Metal". Red Bull have used crazy sounding and subversive names to build excitement around events before you've even heard of them to and to indelibly stamp them as "Red Bull".

Additionally, Red Bull seek out and create a sense of drama and the spectacular with each event to rival anything Evel Knievel could've ever imagined. Downhill bike racing through Rio's most notorious barrios? Wakeboarding in the dark in a flooded mine? Motocross duelling in bullrings? Roller derby on ice skates? Red Bull has made it their mission to bring barely imaginable experiences into existence, and give them all the spectacle and

pomp of a “ real” sport. And then to do it again, year after year. Create shareable content and earn your media How can Red Bull possibly afford all this?

Well, they do the opposite thing most brands do. Most brands spend a tiny bit on content, and then 10x as much on media to try and spread that content as far as possible, because people aren't really that interested in what they are saying so they have to get it in front of eyeballs by force. Which of course then diminishes the value of reaching those people, given they would rather you weren't. Red Bull was doing earned media before it was a buzzword. They invest in unique, compelling experiences, and in the creation of content from those experiences.

They get a significant amount of very deep and powerful brand interaction at the actual experiences themselves, both from participants and spectators. And then through a combination of PR, word of mouth, and pull media channels they get an absolute ton of exposure of their content. And through platforms like their popular Facebook page, content-rich website, Red Bulletin, and a legion of popular microsites and brand communities like FMXWorld, Red Bull can legitimately claim to be a media brand in its own right at a time when most brands are still talking about the idea.

The reason Red Bull is so exciting as a brand and a case study to so many is they've flipped the traditional advertising model on its head. They invest most of their budget in experiences, content and media assets, and allocate comparably little to actual media itself. They trust if they build cool things, people will seek it out and talk about it, and they are right. From a

Brandweek article from 2001: In the antithesis of any major's marketing plan, Red Bull buys traditional advertising last. Only when a market is deemed mature does the company begin a media push.

The idea is to reinforce, not introduce, the brand. " Media is not a tool that we use to establish the market," said vp-marketing David Rohdy. " It is a critical part. It's just later in the development. " The brand spent \$100 million in the U. S. last year, according to the company Measured media spending was only \$18. 9 million last year, up from \$9 million in 1999, per Competitive Media Reporting. In a way their model is to first build targeted, ubiquitous relevance rather than broad mass awareness. They don't blast out, they focus deep and then bubble up.

And the latter approach gives them a much stronger and longer-lasting foundation for their activity, and costs them less. Paid media fits into the mix later to solidify the position, but it's an enhancer rather than the foundation. Mix global platforms and local activation Red Bull is looking for the ultimate blend of local relevance and cost-effective impact. So they have a chaotic but effective mix of global platforms such as Flugtag and Air Race and tens of locally focused events. Many events start out locally and then get rolled out across regions as the template is perfected. Living and creating with your audiences

I think I got this insight out of one of the many great Mobile Youth presentations on Red Bull. Basically the point is everything Red Bull do is about creating and living with their audience, rather than messaging at them. What else? I think you can probably tell from this post and the

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preceding list that I'm a massive fan of Red Bull's strategy. It's unique, it's effective, and it has a lot to say about where the next generation of marketing is heading. Would love to hear what other lessons you've taken from Red Bull's approach, and what other brands you think are doing this right.