

Czech University of Life Sciences Prague

Faculty of Economics and Management

Department of Economics



Bachelor Thesis

**Brand and marketing analysis of Red Bull, Czech
Republic**

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CZECH UNIVERSITY OF LIFE SCIENCES PRAGUE

Faculty of Economics and Management

BACHELOR THESIS ASSIGNMENT

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Business Administration

Thesis title

Brand and Marketing analysis of Red Bull, Czech republic

Objectives of thesis

In my bachelor thesis, I would like to prove why marketing plays a big role in brand-building and company success. Nowadays we are overwhelmed by all the communications around us thanks to the media, advertising and the new products coming to the market frequently. Having an excellent marketing strategy to attract people and persuade them to buy the product is not as easy as it used to be. To demonstrate this necessary shift in marketing, I conducted in-depth primary research into the world's most successful energy drink brand Red Bull in the Czech Republic. Specifically, I would like to analyze how people perceive the brand, in which way they can attract its target group and how their marketing strategy influences consumer behavior.

Methodology

The first part of the thesis will elaborate the theoretical knowledge related to marketing, marketing analysis, and brand marketing. In the next part, I will focus on Red Bull and its specifics. This section will contain officially available business information and information I have been able to obtain from Red Bull's internal resources. Based on the literature, I will analyze the marketing and communication strategy of the brand and how it contributes to the Red Bull brand building. My next and most important part will be a questionnaire where I would like to find out how people perceive Red Bull brand.

The proposed extent of the thesis

Approx 40-50 pages

Keywords

marketing, brand, brand building, marketing mix, Red Bull

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KOTLER, P. – ARMSTRONG, G. *Principles of marketing*. Harlow: Pearson, 2012. ISBN 978-0-273-75243-1.

KOTLER, P. – KELLER, K L. *Marketing management*. Upper Saddle River: Pearson Prentice Hall, 2006. ISBN 0-13-145757-8.

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Declaration

I declare that I have worked on my bachelor thesis titled "Brand and marketing analysis of Red Bull, Czech Republic" by myself and I have used only the sources mentioned at the end of the thesis. As the author of the bachelor thesis, I declare that the thesis does not break copyrights of any their person.

In Prague on 13.3.2018

Kristýna Pecková

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I would like to thank Richard Selby, Ph.D. for his advice and support during my work on this thesis.

Brand and Marketing analysis of Red Bull, Czech Republic

Abstract

My bachelor thesis "Brand and Marketing Analysis of Red Bull, Czech Republic" was mainly focused on marketing. The main goal of my work was to demonstrate how marketing is an important factor in building a successful company. I chose Red Bull in the Czech Republic to find out how people perceive and are affected by this brand.

In the theoretical part, I introduced basic definitions and concepts of marketing, selected analyses in the marketing environment and then I focused on branding and progress of building a strong brand.

The practical part was about Red Bull's energy drinks and its marketing. First, I introduced the history of the company, financial statement and then I showed what marketing tools they use. The end of my work and the most important part was marketing research - questionnaire to find out how people perceive the Red Bull brand as well as how they first discovered it. The goal is to explore the role of marketing in way Red Bull's brand is perceived.

Keywords: marketing, marketing mix, brand, brand building, Red Bull, positioning, questionnaire, research, promotion, ads, the Czech republic

Marketingová analýza a vnímání značky Red Bull, Česká republika

Abstrakt

Moje bakalářská práce "Marketingová analýza a vnímání značky Red Bull, Česká republika" byla zaměřena na marketing. Hlavní cíl mé práce, byl dokázat, jak je marketing důležitý faktor pro budování úspěšné společnosti. Vybrala jsem si společnost Red Bull v České republice, kde jsem zjistila jakým způsobem lidé vnímají a jsou ovlivněni touto značkou.

V teoretické části jsem uvedla základní definice a koncepty marketingu, představila vybrané analýzy v marketingovém prostředí a dále jsem se věnovala značce a postupu budování silné značky.

Praktická část zahrnuje fakta energetických nápojích značky Red Bull a jejím marketingu. Nejdříve jsem představila firmu, její historii, finanční výkazy a dále jsem pak ukázala jaké marketingové nástroje používají. Závěrem mé práce byl marketingový výzkum pomocí dotazníku, díky kterému jsem zjistila, jak značku Red Bull lidé vnímají a jestli ji znají, hlavně díky jejímu marketingu. Cílem je prozkoumat roli marketingu tak, jak je vnímána značka Red Bull.

Klíčová slova: marketing, marketing mix, značka, budování značky, Red Bull, positioning, dotazník, výzkum, propagace, reklama, Česká republika

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1 Introduction

"Everything we do is a marketing that takes care that Red Bull is characterized by energy, strength and endurance, but also by humor, inspiration, and creativity."

-Dietrich Mateschitz, founder of Red Bull

My bachelor thesis is dedicated to the Brand and marketing analysis of Red Bull. This company has celebrated many successes in the market for energy drinks worldwide. Since 1987, when the founder of Red Bull - Dietrich Mateschitz sold his first can in Austria, Red Bull expanded into more than 171 countries around the world and nearly 62 billion cans were sold.

In the thirty years of its existence, Red Bull has established itself as a dominant player in the energy drinks market thanks to its perfectly controlled marketing mix and consistent brand building. In addition, the brand has succeeded in becoming a "culture brand" that has a certain lifestyle. When we hear Red Bull, it's not just the name of the energy drink but also never-ending adrenaline and energy.

Branding nowadays is becoming increasingly important and becoming an integral part of a successful marketing strategy. Brand building is a long-term process and it should bring a loyal customer at the end. Building the Red Bull Energy Beverage is so successful that the brand has achieved unprecedented global success.

In the following chapters, I will be firstly concentrate on the theoretical part where I describe basic terms of marketing, determining why marketing plays a crucial role in the company and the importance of the brand building process in the success of Red Bull's energy drink in the market segment of energy drinks. In my work, I want to highlight the importance of the brand in marketing communication and to present it as one of the decisive factors in gaining the majority share of the market.

2 Objectives and Methodology

2.1 Objectives

In my bachelor thesis, I would like to prove why marketing plays a big role in brand-building and company success. Nowadays we are overwhelmed by all the communications around us thanks to the media, advertising and the new products coming to the market frequently. Having an excellent marketing strategy to attract people and persuade them to buy the product is not as easy as it used to be. To demonstrate this necessary shift in marketing, I conducted in-depth primary research into the world's most successful energy drink brand Red Bull in the Czech Republic. Specifically, I analyze how people perceive the brand, in which way they can attract its target group and how their marketing strategy influences consumer behavior.

2.2 Methodology

The first part of the thesis elaborates the theoretical knowledge related to marketing, marketing analysis, and brand marketing. In the next part, I focus on Red Bull and its specifics. This section contains officially available business information and information I have been able to obtain from Red Bull's internal resources. Based on the literature, I analyze the marketing and communication strategy of the brand and how it contributes to the Red Bull brand building. My next and most important part is a questionnaire where I would like to find out how people perceive Red Bull brand.

3 Literature Review

3.1 Marketing

The concept of marketing is very wide and many people can associate it only with advertising or promotion of certain product. But that's not the only function that marketing has. I would say, that marketing is everything. It plays very important role in our lives. To have a well-doing company with increased sales, over-all growth and reduced its costs, the key factor is to have successful marketing. In fact, without marketing many companies wouldn't even exist.

In these days, we are overwhelmed with advertisements, promotions or any other ways to sell us products or services. Nevertheless, that's not the only thing what marketing is about. The most important part is to meet needs of customers and in the same time make a profit and for that is necessary more than just promoting the product.

One of the definitions according to American Marketing Association says:

“Marketing is the activity, set of institutions, and processes for creating, communicating, delivering, and exchanging offerings that have value for customers, clients, partners, and society at large.”

Marketing can be defined as predicting and satisfying the needs of individuals and groups. Many companies are famous because of their marketing strategies. Nike, Apple, Red Bull, Mc Donald's, Coca-Cola – all of these brands have something in common and that's perfectly controlled marketing of their products. Millions of people all around the world know well their products and buying them every day. All of these companies know perfectly what is their group target and what exactly they want. (Kotler, Keller, 2012)

3.2 Marketing mix

Once the company chooses an overall marketing strategy, it can start planning a marketing mix that represents a set of the most important marketing tools that the company uses. It contains everything that the company brings to the market, everything it can do to influence demand and achieve its goals and everything that matters about the success of the business.

It is necessary to say that, all components of the marketing mix are interdependent and influenced to each other. The success is a combination of right proportion of marketing mix elements. In order to determine their optimal combination, we must build on the strategy chosen, and at the same time check whether it leads to the goal of company. (Foret, 2008)

We can specify 4 important marketing tools on which it relies the strategy of the company:

- Product
- Price
- Promotion
- Place

Picture 1 - Marketing mix



Source: KOTLER, Marketing Management, 2012

3.2.1 Product

The product is the most important tool of the marketing mix, it forms the essence of the company's supply and serves to meet the needs and wishes of consumers. The product represents all the products and services that company offers to the buyers. It can be in tangible or intangible form, and they can also have a form of services, people, places, organizations, thoughts etc. The goal of the company is to make products different from others and give the target customer a preference.

In a competitive environment, quality of the product plays very important role. Quality is assessed by customers for example from packaging, brands, prices, distribution, promotion, etc. Companies should also monitor the competitive position of their products.

Product life cycle

- **Introduction**

This stage starts with placing the product on the market. Product is not yet known and customers have no experience with it. Revenue from sales and profits are small but on the other hand, it is necessary to spend considerable amounts on the promotion. There is a danger that the product will not be trapped on the market, therefore the company must continuously modify the product.

- **Growth**

Sales are rising, therefore, revenue increases. Customers already have experience with launching product. The market may start to appear risk of competing products, usually for lower price.

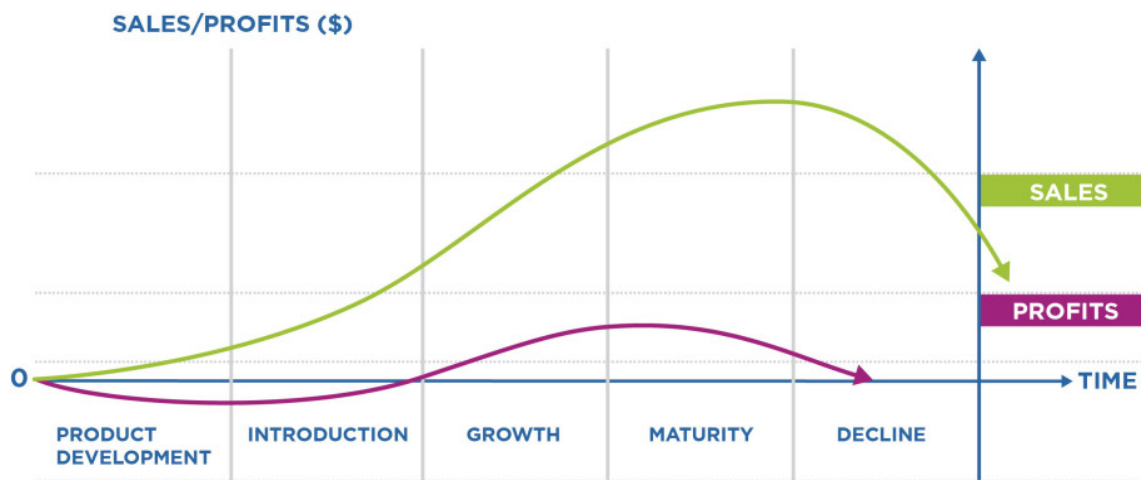
- **Maturity**

The volume of sales is at their peak. Price goes down thanks to minimal spending's on promotions, reduction of production costs and also because of competitors who set up lower prices, which makes the product more available for other segments.

- **Decline**

At the final stage, also called bankruptcy, sales volume is declining. New and better products appear on the market. Investing in advertising no longer makes any sense. The product should be taken off from the market or sold out, and the company would have to introduce another product to the market. (Foret, 2008)

Figure 1 - Product life cycle



Source: course.lumenlearning.com [Online]

3.2.2 Price

"The price in the marketing mix is what we consider to be the product offered, most often in the form of a certain number of monetary units or the volume of other products." (Foret, 2008)

Companies can choose one of the price settings strategies that include cost, product customer insight, and competitive pricing. These are the most used strategies by Kotler:

1. **Cost-Oriented Pricing** - The simplest method is pricing with a markup, where standard margins are added to production costs. Another method is to analyze the reversal point in which the company tries to determine the price at which the revenue will exceed the cost.

2. **Pricing by competition** - The first type is the normal price when the company determines the price by competition, not by company or demand. The second type is the envelope method, in which prices are determined according to how the company thinks it is determined by competition.
3. **Value-oriented pricing** - the price is determined based on the value perceived by the customer and not the cost. The most commonly used strategy is pricing according to the value attributed, in which companies seek to find the right combination of quality and good service at a reasonable price.

If a company comes with an innovative product that is protected by a patent, it has to create a misleading price for the product. We can choose one of the new-product pricing strategies:

- **Market skimming pricing** - which sets a high-cost product to maximize revenue from all segments willing to pay a higher price.
- **Market penetration pricing** - where companies set low prices for a new product. The goal of this strategy is to attract as many buyers as possible and gain a large share of the market. (Kotler, 2007)

3.2.3 Promotion

This activity is also referred to the communication mix or marketing communication, which will be explained below.

3.2.3.1 Marketing communication mix

These days, we can observe very strong competitive environment on the market therefore companies are not just developing a good product with affordable price that can be easily available to their target group. Companies must also communicate with their customers which is essential to build a specific relationship with them.

The main function of marketing communication mix is to somehow inform, pursue and affect customers. Marketing manager is using optimal combination of all the tools and trying to achieve goal of the company.

“A company’s total marketing communications mix – consists of the specific blend of advertising, personal selling, sales promotion, public relations and direct marketing tools that the company uses to pursue its advertising and marketing objectives “ (Kotler, 2007)

We can define the five main communication tools:

- Advertising
- Personal selling
- Sales promotion
- Public relations
- Direct marketing

Advertising

Advertising is the most important part of the marketing communication mix. We can notice it all around us. It is a form of non-personal communication which brings potential customers relevant information about the products or services and tries to influence the customers to buy it. One of the biggest advantages of advertising is the fact that it can affect a very high number of customers but on the other side it is very financially demanding.

We can divide our advertising by the media they use. Any kinds of ads can be seen in mass media, television broadcast, radio, cinema, press, outdoor or internet. (Foret, 2008)

Personal selling

Personal sales are based on mutual communication – face-to-face between the buyer and the seller for the purpose of selling the product or providing the service. Very important key plays personality of the seller, his behavior, trustful look, knowledge of psychological impact on customers, knowledge of product he or she is offering and more. Personal selling can be used for many specific kinds of goods, for example – cosmetics, electrical appliances, kitchenware or insurance.

Sales promotion

According to Kotler, Principles of marketing - *sales promotion is short-term incentives to encourage the purchase or sale of a product or service.*

These days is sales promotion one of the most effective tools of promotion. It is designed to get an immediate response and improve the sales figures. Due to it is financially demanding, it can only be used in a short time. There are many types such as – price discount, free items, coupons, contest, promotional game, samples, premiums.

We can distinguish two groups of sales promotions according to whom sales promotion is focused:

1. Sales promotion to dealers
2. Sales promotion to consumers

(Foret, 2008)

Public relations

PR is in charge of public relations which means many activities. Above all, it takes care of building up a good ‘corporate image’, creates positive relationships and communicates with the public. We can find it especially in bigger companies where it is indispensable. Public relations do not offer a specific product for sale, but deals with the entire business and focuses on a longer period of time.

Communication with the public has two basic forms:

1. Communication with the internal business environment

It is a positive influence on employees, motivation and creating a good relationship with the interests of the company. It can strengthen the loyalty of all workers. To motivate employee’s, PR can use internal competitions/games, trips, parties and celebrations.

2. Communication with the external business environment

It fulfils the function of communicating with the outside world and building good relations with the outside. It is used, for example, press, sponsorships on events, press conference.

(Foret, 2008)

Direct marketing

Kotler, in his book, Principles of Marketing, describes that:

“Direct marketing is direct connection with carefully targeted individual consumers both to obtain an immediate response and to cultivate lasting customer relationships – the use of telephone, mail, fax, email, the internet, leaflets, catalogues and other tools to communicate directly with specific consumers.”

The advantage of direct marketing is to effectively target the selected segment of potential customers and record customer feedback so we can see if our action has been successful or not.

3.2.4 Distribution

Distribution is a tool that ensures that the product comes from the place of origin from the manufacturer to the point of sale to the customer at the right time using the right distribution channels in the required quantity and quality.

We can divide distribution as follow:

- **Direct – from manufacturer to customer**

Advantages of distribution is mainly a direct contact with the customer, much lower costs (there is no excess margin for the intermediary) and the manufacturer has the option of checking the product up to the point of sale.

- **Indirect – combination of distribution channels – retailers, wholesalers, agents)**

The manufacturer cannot influence the product and its quality and sales itself. The distribution benefits include, that it can better cover the market and satisfy the demand even abroad. The manufacturer no longer has to worry about the actual sales and offer the right place at the right time.

3.3 Brand

The brand is nowadays considered to be a natural part of a product that increases its value. According to the American Marketing Association (AMA) brand is a *"Name, term, design, symbol, or any other feature that identifies one seller's good or service as distinct from those of other sellers."*

Product marketing is based on branded or non-branded products and branded or generic markets. In branded markets, the customer buys value-added products in the form of a brand image that helps the buyer orientated when searching for a particular standard. For generic goods (for example, financial services), the differences are in the price range. (Hesková, Štarchoň, 2008)

3.3.1 Basic features of brand

The most basic features of the brand according to Vysekalová and Mikeš are:

- **The identification function** - facilitates product knowledge through specific product characteristics.
- **Guarantee function** - the quality of the product that the consumer expects
- **The brand personalization** - function consists of identifying with a social environment and categorizing it into a particular social category

3.3.2 Brand elements

One of the requirements for creating a brand is to choose the name, logo, symbol, design, packaging, and other features that identify the product visually or verbally and distinguish it from another competitor's brand.

These components that distinguish brands are called brand elements. Brand elements must be carefully thought by producers as they mainly influence consumer buying behavior.

- **Name**

The brand name can be one of the most important elements because it is the daily way of communication of the producer. It should be simple, easy to pronounce, memorable, meaningful, and distinct from others.

- **Logo and symbol**

These are visual elements of the brand. The main purpose of the logo is to strengthen brand awareness and contribute to its distinction between competitors.

- **Slogan**

Slogans are short phrases that capture or inform about product effects. They help build the brand and then remind it. Slogans are most commonly used in advertising campaigns, but they can also be part of other types of communication activities (such as product packaging).

- **Representative**

The brand representative is a special symbol that strengthens its strength. Putting a representative into a brand communication brings benefits, but on the other hand, you need to be careful not to damage the brand.

The representative transmits its main features to the brand and thus increases awareness of the product and the product it promotes. Brand representatives can have different forms (such as animated or live characters).

- **URL**

A URL (Uniform Resource Locators) is used to indicate website placement.

- **Jingle**

Its important feature is the ability to quickly and often subconsciously reach the listener's mind. It can serve as the basis of advertising, it is also an important part of the brand in the case of radio broadcasting.

- **Packaging**

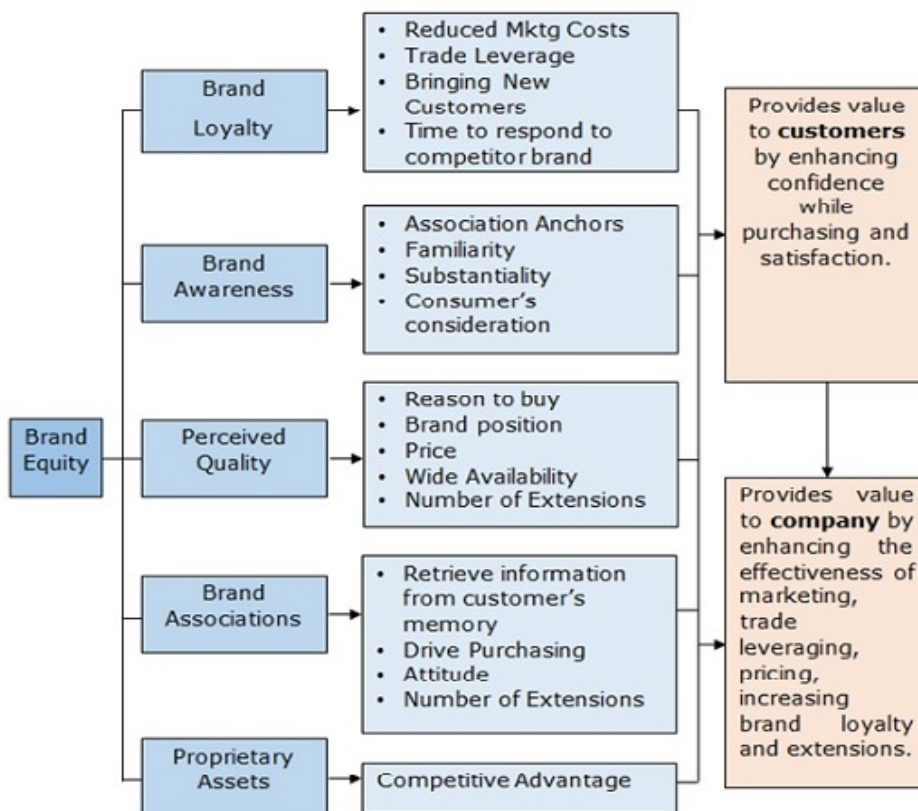
The packaging is one of the strongest elements of the brand that performs several functions: it identifies the brand - contains both descriptive and persuasive information (at least those that are legally required), provides protection and product transport, facilitates handling of the product. (Příbová, Mlynářová, Hindls, Hronová, 2000)

3.3.3 Brand equity

Aaker defines brand value as *"a brand is a set of assets and liabilities associated with a brand name and symbol that increases or decreases the value the product or service brings to the business or the customer"*

The main categories of this value are known as brand loyalty, brand awareness, perceived quality, brand association and proprietary assets associated with the brand. A more detailed description of each category and the benefits it brings to the customer and the company is shown in the picture no. 3. (Aaker, 2003)

Picture 2 - Aaker's Brand Equity Model



Source: Aaker, Brand building: Budování značky. 2003

3.3.4 Brand image

The image can be perceived as a set of attitudes, ideas, opinions, and experiences for any object that has the character of a simplified symbol.

Thanks to our ideas, image helps us to make decisions and influences our behavior. From a marketing point of view, is very important the overall "personality" of the product which is what the consumer is buying. Such a "personality" of the product consists, for example, the technical parameters, ideas, opinions and emotional qualities that the consumer connects with the product. (Vysekalová, Mikeš, 2009)

The brand image consists of three dimensions: trust, emotional sentiment, and behavioral intent. It is also made up of a number of attributes on which is based on customer's attitude to the brand. These attributes include product quality, publicity, employee behavior, or the way of communication. In order for the brand to have a highly positive image for all customer groups, it is very important to meet these attributes in strategic brand image management. Every customer prefers a different order. A big influence on the image has a corporate social responsibility, which is considered a competitive advantage. (Vysekalová, 2011)

3.3.5 Brand building

According to Aaker, the starting point for building a successful brand is the precise brand identity definition (not only depending on properties of the product but also depending on emotional brand enjoyment, symbols, etc.).

After identifying a brand identity, the position is determined. The brand position is part of the identity and value proposition (what does brand mean for the customer) and it should provide "clear guidelines for the fulfilment of the communication program".

As another aspect of building a strong brand, Aaker highlights consistency over time. Consistency over time means for a brand the ability to be stable, not to change its identity or key strategies over time. (Aaker, 2003)

Keller has a similar opinion on steps in brand building, but his theory is more concentrated about consumer perception, based on CBBE - customer-based brand equity model. Four steps need to be completed to build a brand:

- **Identity of the brand** - based on brand identity, give consumers a sense of identification with the brand and desirable brand associations as a whole
- **Significance of the brand** - Identify what the brand means for the consumer, to bring desirable associations with the characteristics of each product
- **Responses to brand** - to stimulate right consumer responses to brand identification and significance of the brand
- **Relation to the brand** - to modify the reactions to the brand in an intense, active and faithful relationship between the brand and the consumer. (Keller, 2007)

3.3.6 The basic steps of brand building

3.3.6.1 Positioning

Ries and Trout explain in their book Positioning that *"To be successful today, you must touch base with reality. And the reality that really counts is what's already in the consumer's mind"*

According to Keller, the positioning means determining the right "position in the minds of a consumer group or market segment to be able to think about the product or service in a "desirable" way". We cannot forget to "identify the optimal location of the brand and its competitors in the minds of consumers in order to maximize the potential benefit". The main objective of the positioning is therefore to define the target market, the target group, and competition analysis. (Keller, 2007)

3.3.6.2 Target market

Determination and more detailed analysis of the target market is very important for the company, as it is on this market that its potential and existing customers are located. It is necessary to take into account that each of the customers knows the brand in a different way, so they have another perception of the brand and other associations are connected with it. Therefore, market segmentation is essential. Depending on market segmentation, we can create marketing programs for individual groups.

3.3.6.3 Competitors

Competition is a very important factor conditioning marketing business opportunities. Companies, therefore, find out who is their competitor, who can be the potential competitor, how strong the competitor is, in what field the competitor is included, what are their goals, strategies, strengths, and weaknesses etc.

Competitors can be divided according to various aspects:

- Territorial
- In terms of product substitutability in a competitive environment
- By the number of producers (dealers) and the degree of product differentiation
- In terms of organization and connectivity of producers to alliances

(Jakubíková, 2008)

3.3.6.4 Product differentiation

According to Kotler, a product can be differentiated by many aspects - form, features, customization, performance quality, conformance quality, durability, reliability, reparability, design, and style. These factors can affect how a product looks, feels, and functions to a consumer and can easily influence consumers mind. (Kotler, Keller, 2012)

3.4 Marketing research

According to Kotler *"Marketing research is a function that connects consumers, customers and the public with the company using the information that is used to identify and define marketing opportunities and problems, creation, improvement, and evaluation of marketing activities, monitoring marketing performance and a better understanding of the marketing process."*

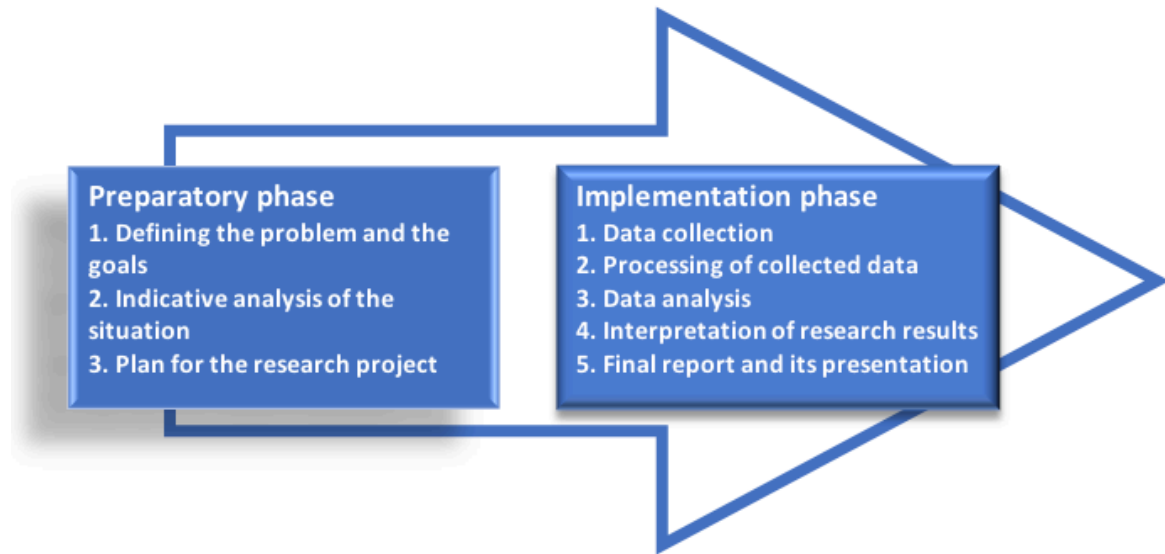
For marketing research, it is a particularly important tool that helps you to obtain information that, is significant for creating and evaluating marketing decisions. This is also a systematic and comprehensive approach to obtaining information that is objective, complete, error-free, up-to-date, relevant and interpretable. Last but not least, clear and distinct communication between the sponsor and the research developer is important for marketing research, which makes it possible to apply the results. (Vysekalová, Mikeš, 2010)

The process of marketing research is very costly. To avoid unnecessary mistakes, it is important for the contracting authorities and the researchers to approach responsibly because every marketing research is unique because it is always influenced by other factors of the problems examined. In the process of each research, two main stages are defined, which are logically follow. This is a preparatory and implementation phase.

For the success of research and the achievement of quality results, it must be first and foremost right problem defined. Based on its determination the purpose and objectives of the research are specified. Its definition is based on all the factors that may affect the problem. Another direction is to show based on finding the most important factors.

The first step, considered as the most demanding, is a step of the implementation phase. The data collection represents both time and financial difficulty. The information must be especially usable, reliable and timely. If this step is not done carefully, there may be poor results.

Picture 3 - The process of marketing research



Source: Kozel. Moderní marketingový výzkum, 2006

3.4.1 Basic methods of collecting primary data

Basic methods of collecting primary data include observation, querying, and experiment. Depending on the purpose and objectives of the research, the choice of method is chosen.

a) The observation method

The observation method usually takes place without direct contact between the observer and observable, so an observer cannot actively intervene in the observed reality. During the observations, no questions are asked, just watching how observable behave and feel. The observed person has no way to change his behavior because he/she does not know that he/she is being observed. However, observation is also very demanding both by time and by the observer, especially in his/her ability to interpret observational data

a) The experiment

The experiment is based on testing that observes and evaluates behavior in artificially created conditions. First, it is necessary to determine the parameters according to which the experiment will take place. Then the test element is introduced and its effect on a certain phenomenon or process is monitored.

a) The querying

The querying method is one of the most widely used method of collecting information. Thanks to this method we can ask questions for respondents. Their responses serve as a source of primary data. It is based on a direct (interview) or mediated (questionnaire) contact between the researcher and the respondent. (Kozel, 2006)

The most basic types of querying are:

Personal interviewing - always on the basis of personal contact with the respondent. This direct communication provides several benefits. The interviewer has the opportunity motivate or better explain issues through images, for example. The response of the respondent gives immediate feedback. An important part of this type of querying must be a willingness to cooperate on the part of the respondent and sufficient training and control of interviewers.

Written querying - most often through the mail. The questionnaire can be also delivered as part of the goods sent or passed on to another way. The advantage is a relatively lower cost compared to other ways, but the return is much lower. Because of this, it is often associated with some motivation.

Telephone querying - is very similar to a personal one, just running without personal contact. The disadvantage is that the respondent can quickly end the querying by hang up. The interviewer gets the information very much quickly with less cost.

Electronic querying - it takes place via emails or viewing on web pages. The advantage is financial and time-lag. This method offers the possibility to use graphic tools like videos or images for better approaching the issue. (Kozel, 2006)

4 Practical part

4.1 Overview of Red Bull company

Red Bull GmbH is one of the world's largest and most important energy drinks companies. Its headquarters are located in Fuschl am See in Austria. The main activity of the company is the purchase of goods for resale, marketing, advertising, and branding. The company sells and distributes the world's first energy drink brand. Red Bull was historically the first brand of energy drinks that create a brand new category of non-alcoholic beverages. Founder of Red Bull energy drink is Austrian entrepreneur Dietrich Mateschitz. In 1982, when he worked for Unilever as marketing director for the Blendax toothpaste, he tried a Krating Daeng beverage during his business trip to Asia. This sweet type of tonic drink has been recommended to relieve his jet lag. The beverage was originally intended for remote truck drivers and hard-working workers.¹

Dietrich was amazed by the surprising effect of the drink that he decided to do his best to get the beverage to Europe. He quit in Unilever and contacted the Thai license holder of Karting Deang - Chalea Yoovidhya. He joined him in the company to sell beverages in Europe. They both invested approximately half a million dollars as initial capital and founded Red Bull GmbH Inc. in which Dietrich has still 49% stake.²

Currently, Red Bull operates in 171 countries around the world with 11 865 employees and 62 billion cans have been sold since the beginning. Its key markets are mainly located in Western Europe and the United States of America, where it also strategically plans for further expansion.

The company is also a supporter of recycling, so their cans are 100% recyclable. Red Bull has decided to use aluminum cans that are significantly lighter today than a few years ago, which results in savings in raw materials.³

¹ <https://www.forbes.com/profile/dietrich-mateschitz/>

² <http://business.inquirer.net/49785/thai-tycoon-chaleo-red-bull-co-founder-dies>

³ <http://energydrink-cz.redbull.com/firma-red-bull>

4.2 History of Red Bull

Red Bull GmbH has been operating on the market since 1984. After three years of preparation, sales in Austria have been launched. On the domestic market, the energy drink met with success, but even so, the company achieved a million dollars in losses in the first two years of its sale. Mateschitz, however, thought that the Austrian market is too small for the success of the drink.

In 1992, he decided to expand to the first foreign market and chose Hungary and Slovenia. A year later, Malta and the United Kingdom joined in the Red Bull market, followed by Germany and Slovenia next year. At this time Mateschitz had to face the unexpected problem. The demand for beverages was so high on the German market that Red Bull GmbH could not obtain enough aluminum to produce the required quantity of cans. On the German market, Red Bull was ahead of the biggest competitor, the Flying Horse, and Red Bull took the next four years to regain its dominant position on the market.

In 1995, Red Bull's biggest expansion came to market in Croatia, Yugoslavia (Serbia and Montenegro), Poland, Russia, Switzerland, Liechtenstein, the Czech Republic and Slovakia. The success of Red Bull continued to grow and, in 1996, the incredible rapid expansion continued into the Dutch, Belgian, Luxembourg, Greek, Portuguese, Spanish, Swedish and New Zealand markets. Ten years after its establishment, Red Bull has achieved great success. The company almost doubled sales, which certainly helped enter the US market in 1997 besides US, Red Bull extended his market to Ireland, Estonia, Yemen, South Africa, Tanzania, and Zanzibar. As a result, Red Bull managed to occupy the markets of three continents throughout its ten years of existence.

Between 1998 and 2000, Red Bull began to sell in 30 countries from Africa, Asia, America and, of course, Europe. In 2003, Red Bull GmbH came to market with Red Bull Sugarfree. A year later, the brand gained 70% share of its energy drinks market.⁴

⁴ <http://www.fundinguniverse.com/company-histories/red-bull-gmbh-history/>

4.2.1 Red Bull CZ, Ltd.

As I mentioned above, Red Bull was introduced to the Czech market in 1995 through the distributor Seagram Ltd., which deal with the distribution of various non-alcoholic and principally alcoholic drinks. Seagram has not been able to manage growing market for energy drinks, therefore, in 1999 Red Bull GmbH who is the 100% owner has decided to establish a subsidiary in the Czech Republic which was based in the capital city - Prague. The main goal of Red Bull Czech Republic Ltd. was pursued of their brand marketing and their distribution. Throughout 2016 company employed 84 employees in the Czech Republic. (Internal materials of Red Bull CZ, Ltd.)

4.2.1.1 Financial analysis of Red Bull CZ, Ltd.

For the financial analysis, I used information from the financial statements for the years 2012-2016. The table no. 1 shows the following findings:

- The **total asset** is slightly increasing year-on-year and exceeds CZK 200 million CZK.
- The company's **assets** consist of approximately 45% of intangible fixed assets, consisting of machinery, equipment (shop equipment - mainly refrigerators), vehicles, aerobatic aircraft.
- **Current assets** is about 20% of inventory, which mainly includes Red Bull merchandise. Another significant item of current assets is trade receivables. These are receivables from 5 major customers mainly from the food industry: Macro, Czech tobacco corporation, Alued grocers and Tesco.
- Company's **equity** is negative. This was caused by a few years of annual loss before 2009 (which we can see in the chart no. 1). In these years, an indirect form of sales was realized through a distribution partner. The change in the business strategy for direct sales of products directly to customers and the related adjustment of sales prices implemented in 2010 allows the company to generate profits and return to a positive balance of equity. Since 2009, the company has a yearly profitability and the negative value of equity is decreasing year-on-year.

- **Liabilities** of Red bull company are made up of short-term payables, mainly trade payables. These are payables for the parent company - Red Bull GmbH, which is the supplier of the goods and the promotional materials. Bank loans are not used by the company for financial support of the parent company.
- **Total sales** of the company are growing year on year, only by 2016, there was a slight insignificant fall of about 3 million CZK of sales.
- **Trade margins** decrease slightly year on year, but the value of 50% is still satisfactory.
- **The gross profit** of 180 million CZK fully covers personnel costs, which increase as the number of employees increases (in the year 2016 the company had 84 full-time employees).
- **Operating profit** increased to 27 million CZK, the highest value in the history since 2007.
- After deducting the income tax, the company received a **profit for the accounting period** of 18.3 million CZK. Again the value is the highest known in history since 2007. (Public register, [Online] 2018)

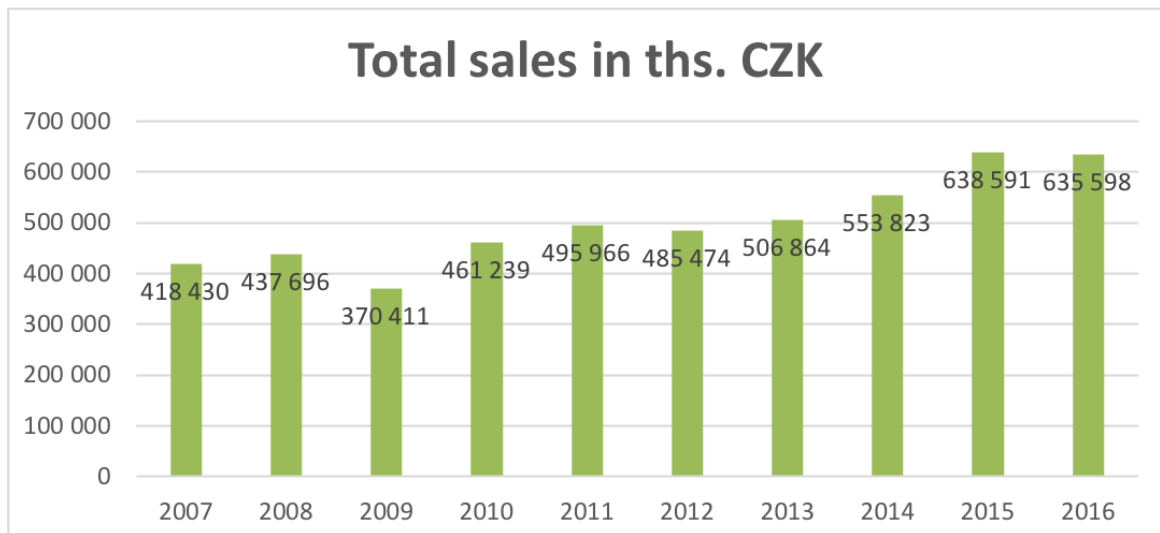
Table 1 - Balance sheet of Red Bull CZ, Ltd.

	31.12. 2012	31.12. 2013	31.12. 2014	31.12. 2015	31.12. 2016
Revenues from own products and services	10 816	16 497	37 317	38 372	43 211
Revenues from goods sold	474 658	490 367	516 506	600 219	592 387
Total sales	485 474	506 864	553 823	638 591	635 598
Year-on-year development	-	21 390	46 959	84 768	-2 993
Trade margin	329 524	323 587	338 186	362 400	353 875
% of trade margin to sales of goods	69,4%	70,1%	65,5%	60,4%	59,7%
Value-added	130 334	144 576	161 999	174 163	178 978
% of value added to total sales of goods sold	26,8%	28,5%	29,3%	27,3%	28,2%
Personnel expenses	91 082	94 531	104 701	109 236	112 543
Operating profit or loss	16 400	21 402	20 955	21 961	27 195
Return on sales in %	3,4%	4,2%	3,8%	3,4%	4,3%
Profit/Loss for the accounting period (+/-)	10 067	13 601	13 718	14 061	18 362
Total asset	166 834	178 854	194 833	197 342	203 364
Fixed assets	54 524	78 262	90 663	88 057	90 399
Current assets	111 297	98 621	102 969	108 027	111 425
Equity	-96 979	-83 379	-69 660	-55 599	-37 237
Registered capital	20 100	20 100	20 100	20 100	20 100
Equity ratio	58,1%	-46,6%	-35,8%	-28,2%	-18,3%
Liabilities	263 813	262 233	264 465	251 941	240 602
Total debt in%	158,1%	146,6%	135,7%	128,2%	118,3%

Source: Public register

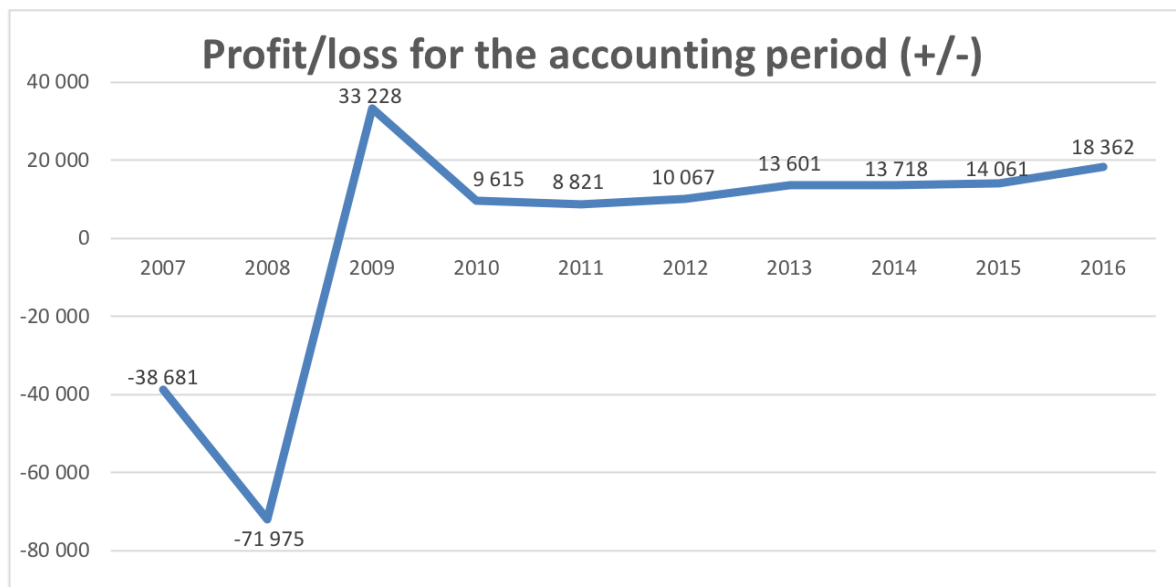
The first figure shows the evolution of total sales over the last 10 years, which is constantly growing year-on-year. And figure no. 2 - Profit development firstly records losses as I mentioned above (caused by indirect sales), and followed by an annual profit period.

Figure 2 - Total sales in ths. CZK of Red Bull CZ, Ltd.



Source: Public register

Figure 3 - Profit/Loss for the accounting period of Red Bull CZ, Ltd. in ths. CZK



Source: Public register

4.3 Marketing mix of Red Bull

Every company has to determine what marketing mix elements they have and allocate them wisely as a part of their marketing strategy. In the following subchapter, these elements will be described for a Red Bull company.

4.3.1 Product

Red Bull is non-alcoholic functional beverage which is mainly intended for people suffering from physical or mental stress. Primary ingredients are caffeine, taurine, B-group vitamins, carbohydrates (sugars) and alpine water. These components help improve performance, concentration, and give you energy. Red Bull drink drivers, workers, athletes, travelers, and young people on parties or festivals.⁵

Red Bull is known for its most famous and original product - **Red Bull Energy drink** and for 16 years the company has not expanded its product line. In 2003 they launched a new product called **Red Bull Sugarfree**, which was released because of increasing social demand for a healthy lifestyle and sugar-free products. In this product sugar is replaced by artificial sweeteners with acesulfame and aspartame. In 2008 their next product was launched which has taken place in a completely non-traditional way. They introduced in the market - **Red Bull Cola** which contains natural ingredients and caffeine but it is not ranged among energy drinks.

Red Bull extended their product line in 2012 again when they launched **Red Bull Editions** which include the same ingredients as in original Red Bull but with different kinds of flavor. Since then they have tried many distinct sorts in a distinct countries as - Total Zero Orange Edition (tropical orange), Total Zero Cherry Edition (wild cherry), Red Bull Yellow Edition (tropical fruits), Red Bull Red Edition (cranberry), Silver Edition (lime), Purple Edition Sugarfree (Açaí Berry), Blue Edition (blueberry), Winter Edition (plum-cinnamon), The Summer Edition (Ruby grapefruit), Kiwi Edition (kiwi-apple) and more.

⁵ <http://energydrink-us.redbull.com/en/ingredients-red-bull>

In the same year Red Bull release one more product called **Red Bull Zero** with no sugar or carbs and instead of that, it is sweetened with aspartame, sucralose, and acesulfame K.⁶

All types of Red Bull beverages are made in 250 ml and 355 ml cans. They are made individually or in the form of a multipack. Originally, the company sold only a 250 ml cans variant, but later Red Bull expanded with a larger can and multipack, mainly due to significantly cheaper and more competitive energy drinks.

Picture 4 - Red Bull's products



Source: Red Bull products: <http://energydrink-us.redbull.com/en/red-bull-energy-drink> [Online]

4.3.2 Price

Although Red Bull has many competitors in the energy drink market, the company is still ahead of the competitors. Red Bull is a premium brand and because they are being on the top, they can readily charge a premium for their products and consumers will still buy it. They have created a new product category so the demand for Red Bull is always very high. The price corresponds to the value of the brand, therefore, Red Bull is one of the most expensive energy drink. The range of Red Bull sales prices on the market is broad and the price differs depending on the point of sale of the drink. We can find a different price in a

⁶ <https://www.caffeineinformer.com/red-bull-red-blue-and-silver-edition>

supermarket, a petrol station or in a bar in the downtown of a big city. The selling price of one 250 ml Red Bull can range from 27,90 to 90 CZK (the cheapest is from wholesalers, most expensive in bars and restaurants). We can observe that Big shock - the competitor of Red Bull, costs with the same amount from 18 to 50 CZK. Essentially Red Bull decided not to play the price war game. This means that Red Bull is not forced by competitors to change the price.

4.3.3 Promotion

This part of the marketing mix has the biggest impact on consumers of Red Bull product when we talk about branding process. Red Bull's communication concept is based on four main parts (in the pic. 5). These parts are interconnected and together they work as one. The main goal is to reach the positive Word of Mouth for consumers - which is located in the middle.

Picture 5 - Communication mix of Red Bull CZ, Ltd.



Source: Internal materials of Red Bull CR, Ltd.

This part of the communication mix determines the positioning, creates awareness of the brand among consumers and builds an image. Companies usually provide very large amounts of advertising but Red Bull chooses a different way.

About 70% of their output goes to the editorial which means unpaid placement of content to the media. Red Bull strategy is to attract consumers by organizing cultural or sports events, therefore, the media themselves are searching for Red Bull to publish these events. Red Bull uses only 30% of paid advertising which includes TV spots, cinema advertising, radio ads, and press. (Internal materials of Red Bull CR, Ltd.)

4.3.3.1 Opinion leaders programs

The main goals of Opinion leaders are to strengthen credibility of the product and develop the brand image. These Opinion leaders stand out and communicate the functionality of the Red Bull products in a natural way. This way helps people to fall in love with the product and to buy it.

Red Bull divided the Opinion Leaders programs into two categories - sport and culture. The most used way that Red Bull chose in case of Sports Opinion leaders is sponsoring. It is usually done in the form of branding (providing sports equipment with Red Bull brand) or product placement (Red Bull pay athletes to actively cooperate, consume the product in the media and speak positively about it). Red Bull is primary looking for adrenaline and challenging sports. They signed a contract with 12 athletes in the Czech Republic. In the category of culture, Red Bull is most interested in musician and actors Opinion leaders. Collaboration is most often based on product placement with the same conditions as athletes. (Internal materials of Red Bull CR, Ltd.)

4.3.3.2 Event marketing

Event marketing plays an extremely important role in the marketing mix. It means organizing events of a sports and cultural character for specific target groups as well as for the general public, which are innovative and conceived in an unusual way thus people will be interested, entertained, gaining a unique experience and talking about it afterward.

Red Bull is either creating, organizing or supporting events that help build their image.

When Red Bull organizes a specific event, it's all created and implemented by their employees. These events are crucial for Red Bull in terms of individual marketing activities. Among the best-known Red Bull sports events are **Red Bull Air Race** (extreme air competition), **Red Bull X Fighters** (international motocross free races), **Red Bull Crashed Ice** (ice skating race in the ice cross downhill), **Red Bull Flugtag** (competition in self-assembled flying machines), **Red Bull Paper Wing** (competition in a throw with a paper airplane), **Red Bull Cliff Diving**, or **Red Bull Rampage** (freeride mountain bike competition). Red Bull's cultural events include the very original **Art of Can** or the **Red Bull Music Academy**.

Supported event are in an existing event where Red Bull provides service (refrigerators, bars, staff, etc.) in exchange for visibility. The goal of Red Bull's participation in such events is to raise awareness of Red Bull products.

4.3.3.3 Consumer collection

The primary goal of Consumer Collecting is to attract new customers and, at the same time, to boost consumption and brand loyalty by communicating with consumers at the right time and in the right place.

The main tools of Consumer Collecting are sampling and two student programs - **Student brand managers** and **Wings team**. These tools provide direct contact with potential consumers and provide feedback.

4.3.4 Distribution

The company uses standard two-level indirect distribution (manufacturer → wholesale → retail → customer) which makes Red Bull available to consumers in retail chains as well as in gas stations, bars, and restaurants. Red Bull also uses a direct distribution. Includes sampling and activities called Student brand managers and Wings Team as I introduced in the previous subchapter. Sampling is a classic sales promotion tool where free samples are distributed to consumers directly. Wings Teams are known all over the world, they are girls who are equipped with cooling boxes. Student Brand Managers are students who inform about Red Bull on their university campuses.

4.4 Brand elements

- **Name**

As I mentioned in my theoretical part, one of the requirements to have the successful name of the brand that everybody would know should be simple and easy to remember which Red Bull meets. The founder Dietrich Mateschitz gave this company name after the original Thai energy drink - Krating Daeng which is in exact translation - red bull.⁷

- **Logo and symbol**

Visual representation of Red Bull is almost the same as the previous energy drink - Krating Daeng. The logo shows two red bulls facing the horns against each other and the yellow sun in the background. The selection of colors is very important. Red Bull chose yellow which feels open, dynamic and bright and dark blue which brings peacefulness and certainty.

- **Slogan**

The slogan that Red bull came up with - "Red Bull gives you wings" describes perfectly the brand. It is a simple message which means that Red Bull gives you energy and you can do almost impossible

- **Representative**

Red Bull doesn't have one specific representative to express brand quality. They use the program called Opinion Leaders which I already mentioned in subchapter Promotion. The opinion leaders have a strong influence on their environment thus they can help Red Bull to build a strong brand image.

⁷ <http://www.financnici.cz/dietrich-mateschitz#cv>

- **URL**

When we search Red Bull company on the internet, we can find their official website where they have all their events, list of athletes, company and product information, etc. URL expands according to the country and language.

- **Jingle**

In the case of Red Bull, we can think of the melodic version of their slogan "Red Bull gives you wings" as mentioned above. It is not much used but most often, we could have noticed it in TV commercials.

- **Packaging**

As a cover for its energy drinks, Red Bull chose a narrow tall can that fits perfectly in the hand. The can is divided into four fields with two silver and dark blue colors. The choice of background colors contrasts nicely with a red-yellow logo. Thanks to this an unconventional color combination is more attractive to the consumers and compared to other energy drinks it looks more luxury at the point of sale. Of course, the packaging contains information about the composition of the drink, its effects, and other mandatory information. Red Bull takes care of the environment, therefore, the cans are 100% recyclable.

4.5 Questionnaire

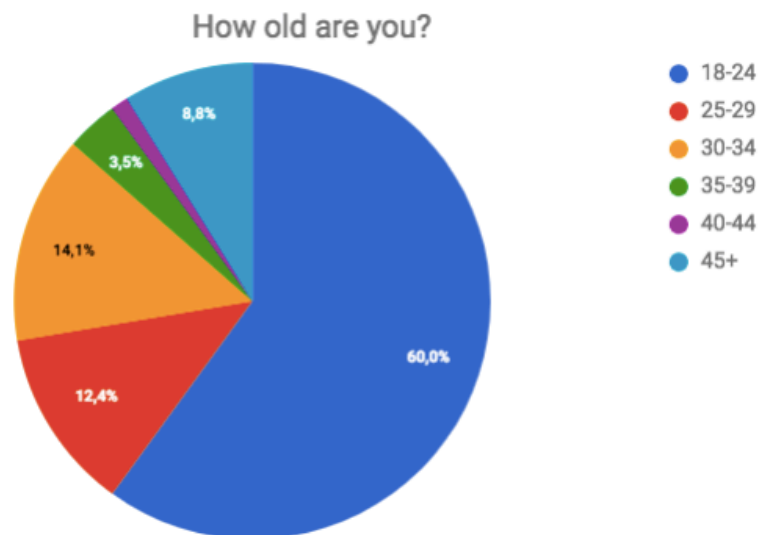
The last chapter analyzes my own questionnaire survey. The aim of the research is about awareness of Red Bull brand thanks to their marketing and to find out what is the impact of Red Bull's specific marketing communications on consumers. The questionnaire appeared to be the most suitable form since it is possible to collaborate with a large number of respondents and at the same time, its results can be clear and highly effective with a sufficient number of correctly asked questions.

The questionnaire was filled by 170 respondents anonymously and voluntarily. For research, I chose online survey using Google Forms. I chose this way thanks to its functionality and well-developed results.

This survey consists of 14 questions. First two questions are demographic and the following questions are focused on Red Bull awareness. The answers are further analyzed.

The first demographic question - the gender of respondents was formed by the most part of men – 90 (52.9%). The number of women was slightly smaller and that was 80 (47.1%).

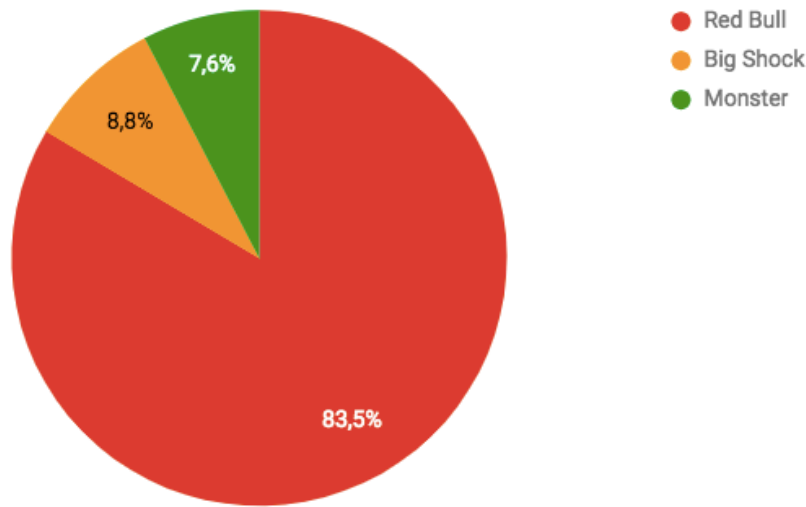
Figure 4 - Respondents ages categories



The most numerous age group in my survey are people between 18-24 years old which represent 60%, followed by the group of participants between 30-34 years old 14,1%, between 25-29 years old 12,4%, up to 45 years old 8,8% and last two smallest groups between 35-39 years old 3,5% and 40-44 years old 1,2%.

Figure 5 - Respondents "top of mind" of energy drinks

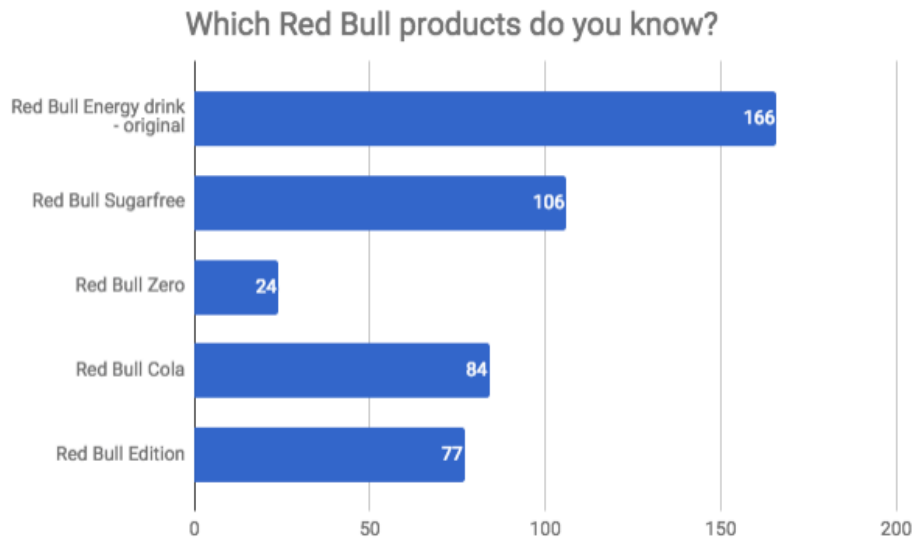
What is the first energy drink that comes to your mind?



"Top of mind" is where the respondents come up with the first brand of the mentioned answers. This is what companies are trying to achieve and Red Bull managed it very well, as we can see in the figure no. 5, of 170 participants, 142 of them had as an immediate response Red Bull. This awareness could be caused by a large advertising campaign, a large number of supported summer or winter events and festivals, or the implementation of standard marketing activities, such as athlete support.

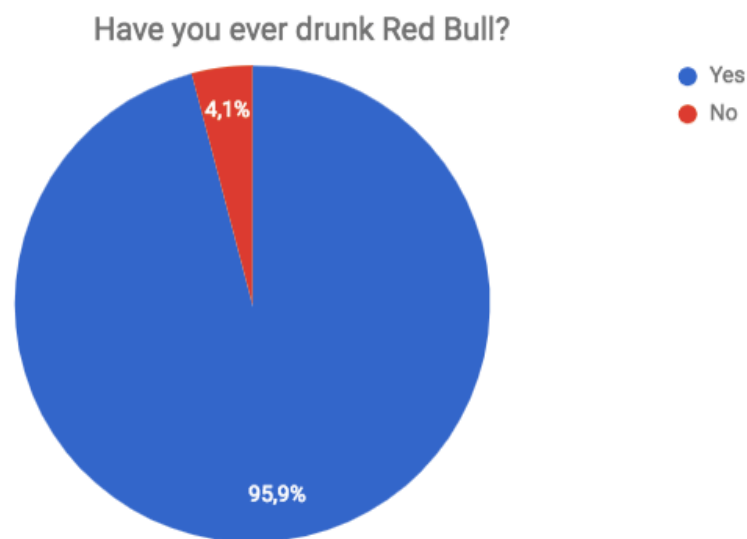
Two other brands that have similar responses according to "top of mind" category are Big Shock 8,8% and Monster 7,6%. Although, Big Shock gives a big budget to marketing these two brands are not as visible as Red Bull. On the other hand, Big Shock and Monster have a lower price than Red Bull and thus attract the customers who are primarily choosing products according to the price. Of the selected responses, Rock Star was not chosen by either respondent, this brand mainly specializes in online marketing, social media, and blogging in its marketing but it is not so widespread in the Czech Republic.

Figure 6 - Percentage of each Red Bull's product known by respondents



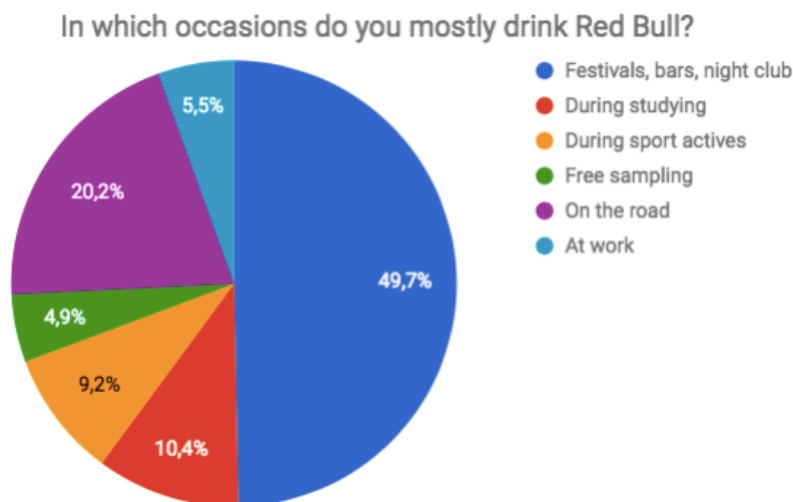
The most known product that has been selected by the majority of respondents more precisely 166 (97,6%) is, of course, the Red Bull energy drink - original, followed by Red Bull Sugarfree - 106 (62,4%), Red Bull Cola - 84 (49,4%), Red Bull Edition - 77 (45,3%). Red Bull Zero cannot be bought in the Czech Republic and therefore is least known. I have chosen this product since it can be sell in other countries, as Austria, Germany, United Kingdom, France and more. Thus those respondents - 24 (14,1%) have to know Red Bull Zero from abroad.

Figure 7 - Percentage of people that have never drunk Red Bull



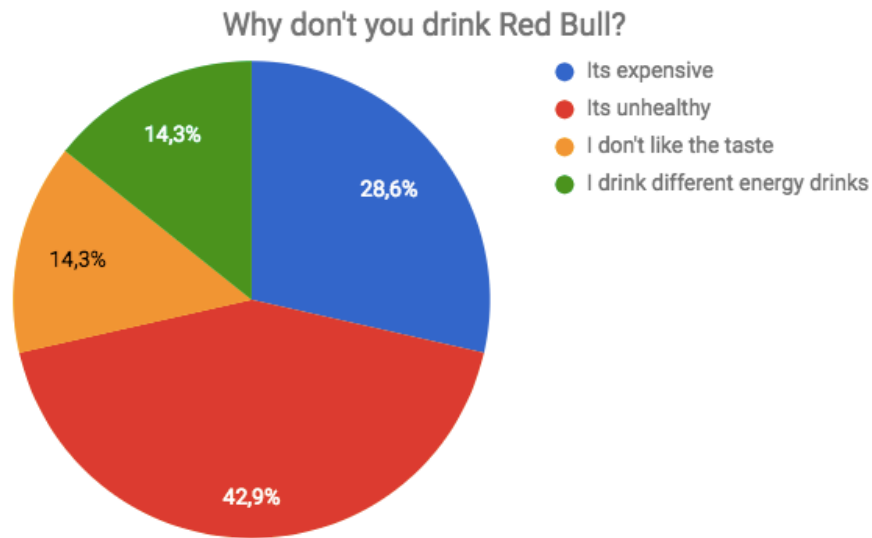
Since my bachelor thesis is about Red Bull, it's important to find out how many people drink energy drinks, specifically consuming Red Bull drinks. Of the group of 170 respondents, 163 (95.9%) said they were consumers of this energy drink. I find this result incredibly high, given the fact that main difference between Red Bull's beverages and other energy drinks is the price that belongs to the highest in the Czech energy drinks market. The result also shows that thanks to its unique marketing communications, the company is able to create in people a strong brand identification, and therefore consumers are willing to pay for this product more. Only 7 (4,1%) respondents from the whole group admitted they do not drink this product. The negative response of these participants led, for logical reasons, to skipping next question that is only for those who are drinking Red Bull.

Figure 8 - Occasions in which respondents drink Red Bull



The results of this question tell us that almost half of all respondents 49,7% drink Red Bull at a bar, at a festival or on a party. As we already know from the second question in the figure no. 4, more than half of respondents are between 18-24 years old. We can include here students who participate in these events and drink Red Bull either clear or mixing it with alcohol. One of the other significant activities where people drink Red Bull is on the road which is exactly 20,2%. Usually, Red Bull drinks those who drive at night or long distance. Accordingly, we can notice this brand at many petrol stations. A smaller percentage of other occasions where Red Bull can be drunk are during the studying - 10,4%, during sports activities 9,2%, at work 5,5% and the least frequent one is to receive it as a free sample 4,9%.

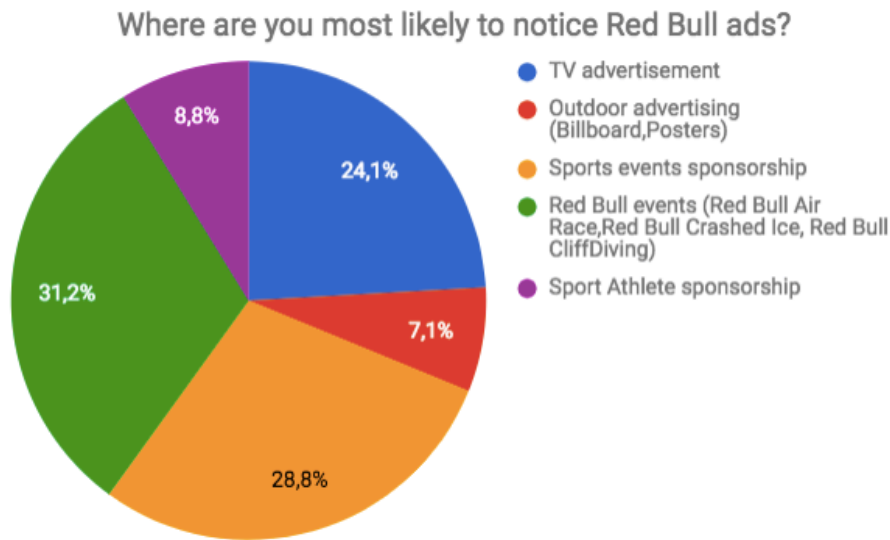
Figure 9 - The reasons why respondents don't drink Red Bull



As I defined above those who drink Red Bull at least once in the last year, are 163 (95,9%) of the 170 respondents. This means that I can work with a sample of 7 (4,1%) respondents to evaluate this question. Since this is a very small sample of respondents, it is not possible to put much emphasis on the resulting answers and it is only possible to observe certain tendencies.

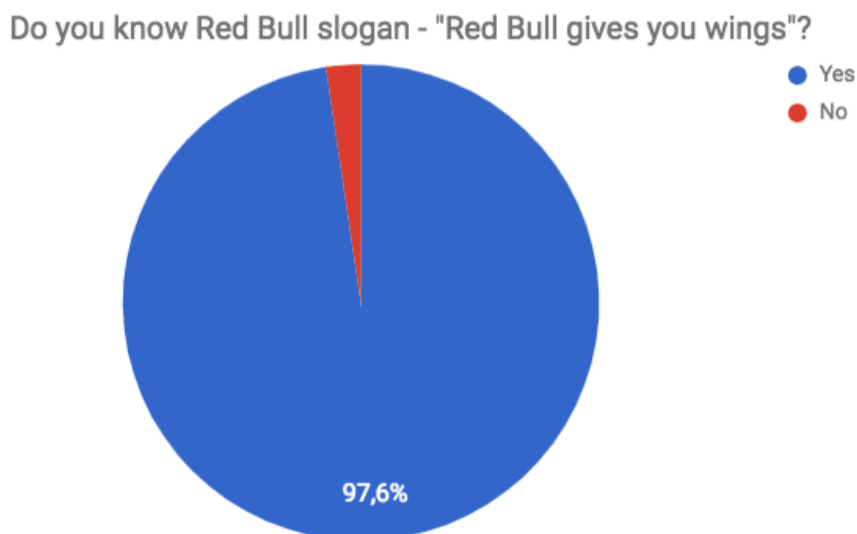
Many people don't drink Red Bull and maybe even other energy drink because it is unhealthy. It's true that some people have this outrageous fear of “energy drinks” and think that the caffeine in a Red Bull can harm you. In fact, one can of 250 ml of Red Bull contains 80 mg of caffeine, which is roughly the same amount of caffeine as in a cup of coffee.

Figure 10 - The knowledge of Red Bull ads



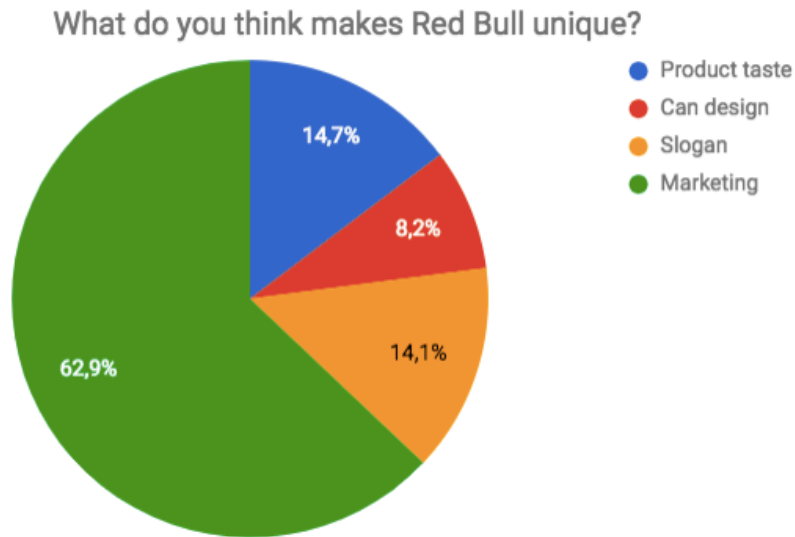
This question proves that 53 (31,2%) respondents perceive this brand when Red Bull organizes their own events, for instance, Red Bull can you make it, Red Bull Air Race or Red Bull Crashed Ice. Another significant part of people 49 (28,8%) can notice this brand at sports events where Red Bull is the sponsor. A lot of respondents 41 (24,1%) chose the answer of Red Bull's TV advertisement, which is in my opinion very well known in the Czech Republic. The last two responses were answered by 15 (8,8%) and 12 (7,1%) respondents and that is Sports athlete sponsorship and outdoor advertising.

Figure 11 - Percentage of respondents who know/don't know Red Bull slogan



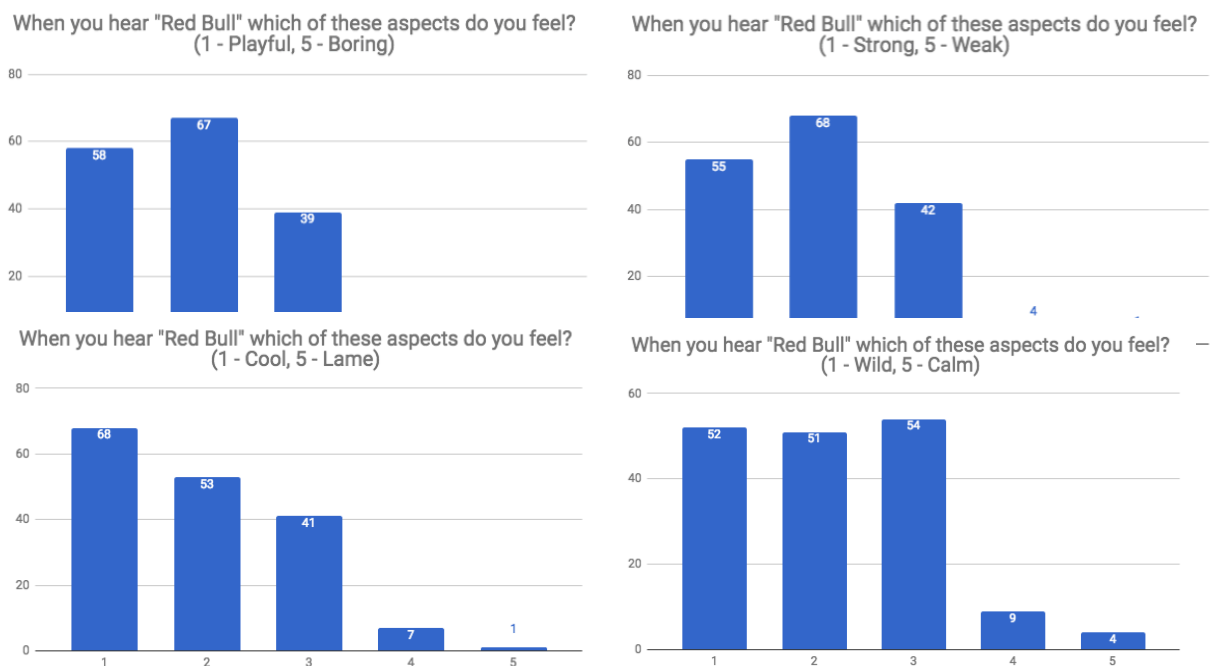
The figure no. 11 shows that 97,6% of respondents know Red Bull's famous slogan - Red Bull gives you wings which is one of companies marketing strategies. Only 2,4% of respondents did not recognize this slogan.

Figure 12 - Percentage of factors that make Red Bull unique



This figure records that 62,9% of respondents think that marketing makes Red Bull unique. Thus, when we link this question with the question of how many people drink Red Bull, it is clear that marketing plays the biggest role in brand awareness and eventually, it leads to the purchase of the product.

Figure 13 - Aspects that respondents feel towards the Red Bull brand



From a scale of 1 to 5, respondents should have selected the most appropriate number on that scale which offers extremely opposite adjectives on each end due to which the participants can precisely explain their feedback. I have chosen four different adjectives and their antonyms - Playful/Boring, Strong/Weak, Cool/Lame, Wild/Calm. This type of question, called Semantic Differential Scale, is the most reliable way to get information on people's emotional attitude towards my topic.

The results of these questions came out positively. Majority of the respondents were choosing the positive end of the scale which shows that Red Bull has a positive effect on people's mind.

5 Discussion

Analysis of customer opinions and attitudes is very important for clarification whether is product positioning successful or not. I have done this analysis in my bachelor thesis and, as already mentioned at the beginning of the thesis and at the work itself, the research objective was to find out how Red Bull's target group perceives the brand.

I was looking for answers to these questions through questionnaire, and I came to pleasant results. Respondents, as a sample of the Red Bull target group, perceive the brand and its marketing activities very positively. That's why I chose Semantic Differential Scale type of question were I find out that Red Bull stands for them as a symbol of the successful, strong and cool brand. It brings value by supporting young and talented individuals and organizing original, entertaining and untraditional events, inspiring their surroundings and showing that practically nothing is impossible. This makes Red Bull different from other brands in the energy drinks segment in the eyes of my chosen target group. In fact, 107 of respondent from 170 answered that Red Bull is unique brand mainly because of their marketing.

Thanks to the successful positioning that has been confirmed in my research and the unique communication mix, the company managed to create a premium brand of energy drinks, which for most consumers is a "top of mind". My research showed that 142 respondents out of 170 chose Red Bull as a first brand that came to their mind. It is surprising that despite the many brands of energy drinks on the Czech market that use similar communication mix or use better pricing policies, Red Bull is a leader over the competition.

Table 2 - Research results summary

Gender	Age	Drink Red Bull	Red Bull ads	Quantity
Male	18-24	Yes	Festivals, bars, night club	32/49
Female	18-24	Yes	Festivals, bars, night club	27/49
Male	all	Yes	TV advertisement	17
			Outdoor advertising	2
			Red Bull events	23
			Sport Athlete sponsorship	10
			Sports events sponsorship	28
Female	all	Yes	TV advertisement	13
			Outdoor advertising	8
			Red Bull events	22
			Sport Athlete sponsorship	2
			Sports events sponsorship	16

I made my own table where I pointed out the most interesting conclusions from my research. Majority of respondents drink Red Bull in the age of 18 to 24 in the festivals, bars, or night clubs. Out of 49 male respondents, 32 of them drink Red Bull in these specific occasions and 27 out of 49 female participants responded the same. This means that Red Bull can extend their basis and focus on a lower age group and sell their products in more such opportunities.

Among all the Red Bull advertisements we may notice, sports event sponsorship of Red Bull and their own organized events, caught up men attention the most. On the other hand, outdoor advertising attracted men least. From this, we can conclude that the company can provide more budget for billboards or posters in the Czech Republic to capture more of this segment.

In this case, women are just as much same as men and they have noticed Red Bull brand the most during their own organized events and sports event sponsorship. But against male, for female, the least visible Red Bull brand is sports athlete sponsorship. Therefore, Red Bull could concentrate more on sponsorship of women athletes to attract more attention.

The additional interesting conclusion is that Red Bull should spend more on advertising to 18-24-year-old men since that's where the "top of mind" was the lowest. The immediate response to "What is the first energy drink that comes to your mind" was for 7 men Monster and for 6 men Big Shock. This result may be combined with my previous conclusion and therefore Red Bull can use their marketing strategy in bars or festivals since that was the occasion attracted the most by this segment.

Every strong brand needs to have a perfectly controlled marketing and to reach this goal, they need to be original, creative and innovative. They can pay more attention to which segments attract the most in which occasions but it can be deduced from my questionnaire that Red Bull meets these requirements and thus their marketing has a positive impact on consumers, which helps the company to build a strong and successful brand. This has been shown mainly on their Profit/Loss account, as each year Red Bull company brings more profit. In 2016, 18.3 million CZK was generated which can be confirmed from my questionnaire where out of the 170 participants 163 drunk Red Bull energy drink for the last year.

6 Conclusion

Positive image and brand perception have a major impact as they are an integral part of brand value. It is sometimes very crucial for a brand to know how the public or the target customers are looking at their brand, what are the ideas and expectations about the brand or their products.

My main goal of this bachelor thesis was to conduct in-depth primary research into the Red Bull company in the Czech Republic and analyze how people perceive the brand and in which way they can attract its target group. Thanks to my questionnaire with the patiently used questions that were created to meet the goal of my thesis, I found out that Red Bull is perceived as prestigious image brand, which for consumers is often a love mark or a top of mind. More than half of the respondents think that marketing is the secret which makes Red Bull unique, original and creative brand. This energy drink is consumed mainly by students from 18 to 24 years old mostly in clubs, festivals, and bars. Thus, one of the Red Bull's communication mix tools is Consumer Collecting which includes Student brand managers and Wings team that are focusing on universities and help Red Bull to increase their brand awareness in this segment.

Based on the thoroughly studied marketing strategy of Red Bull, I have come to the conclusion that this company is doing its job more than great. As I clarified in the marketing mix of Red Bull chapter, their sophisticated communication mix is divided into several parts, that are effectively used for their deeply researched target group. That's why this unique concept of marketing strategy is behind the huge success of Red Bull around the world.

The Red Bull Energy drink was the first product of its kind in Western markets which created a new market segment. I believe that thanks to the very first creation of the new product on the market, Red Bull has retained its high position on the energy drink market even to this day.

If Red Bull continues to work consistently in building its brand, responding to changes in trends, listening to consumers and meeting their needs, it is likely that its position will remain a strong brand even in the next years. Another interesting topic that can be analyzed in the future is a deeper comparison of Red Bull with other competitors, see how the marketing of other energy drink companies works and whether they can overpower Red Bull in the future.

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8 Appendix

Appendix 1 - Red Bull Wings team



Appendix 2 - Eva Sámková – Czech showboarder in Red Bull’s Opinion leaders program



Appendix 3 - Red Bull Cliff Diving



Appendix 4 - Red Bull outdoor advertising



Appendix 5 - Questionnaire

1. What is your gender?

- Male
- Female

2. How old are you?

- 18-24
- 25-29
- 30-34
- 40-44
- 45+

3. What is the first energy drink that comes to your mind?

- RockStar
- Red Bull
- Big Shock
- Monster

4. Which Red Bull products do you know?

- Red Bull Energy drink - original
- Red Bull Sugarfree
- Red Bull Zero
- Red Bull Cola
- Red Bull Edition

5. Have you ever drunk Red Bull?

- Yes
- No

A) Question is intended only for those who have been drinking Red Bull in the last year.

6. In which occasions do you mostly drink Red Bull?

- Festivals, bars, night club
- During studying
- During sport actives
- Free sampling
- On the road
- At work

B) Question is for non-consumers.

7. Why don't you drink Red Bull?

- It's expensive
- Its unhealthy
- I don't like the taste
- I drink different energy drinks
- Other...

C) Questions for everybody

8. Where are you most likely to notice Red Bull ads?

- TV advertisement
- Outdoor advertising (Billboard, Posters)
- Sports events sponsorship
- Red Bull events (Red Bull Air Race, Red Bull Crashed Ice, Red Bull Cliff Diving)
- Sport Athlete sponsorship

9. Do you know Red Bull slogan – “Red Bull gives you wings”?

- Yes
- No

10. What do you think makes Red Bull unique?

- Product taste
- Can design
- Slogan
- Marketing

11. When hear “Red Bull” which of these aspects do you feel?

Playful 1 – 2 – 3 – 4 – 5 Boring

Strong 1 – 2 – 3 – 4 – 5 Weak

Cool 1 – 2 – 3 – 4 – 5 Lame

Wild 1 – 2 – 3 – 4 – 5 Calm