

11-2008

Red Bull Marketing Techniques

Jennifer Hogenmiller
Lindenwood University

Kailey Steuber
Lindenwood University

Follow this and additional works at: https://digitalcommons.lindenwood.edu/psych_journals



Part of the [Psychology Commons](#)

Recommended Citation

Hogenmiller, Jennifer and Steuber, Kailey (2008) "Red Bull Marketing Techniques," *Undergraduate Psychology Research Methods Journal*: Vol. 1 : Iss. 8 , Article 5.

Available at: https://digitalcommons.lindenwood.edu/psych_journals/vol1/iss8/5

This Article is brought to you for free and open access by the Psychology, Sociology, and Public Health Department at Digital Commons@Lindenwood University. It has been accepted for inclusion in Undergraduate Psychology Research Methods Journal by an authorized editor of Digital Commons@Lindenwood University. For more information, please contact phuffman@lindenwood.edu.

Red Bull Marketing Techniques

Jennifer Hogenmiller & Kailey Steuber

The differences in marketing techniques using the product Red Bull Energy Drink was investigated in this research project. Three techniques were used: the participant was read aloud information, the participant read information from a pamphlet, and the participant was shown a power point presentation. These techniques were tested to discover whether the marketing technique influenced the consumer purchase of the product. 64 participants were tested, but only 31 participants' data was used. Many participants' data had to be excluded due to factors of affiliation and missing data. After conducting a one-way ANOVA, we did find statistical significance between the presentation of different marketing techniques and a change in consumption. The power point method of marketing was the most effective.

An increasing amount of research has been conducted in order to understand the effects of variations in marketing techniques and strategies. Therefore, the question of interest for this study concerns how consumers respond to these different techniques. According to McGarry (1991), marketing in itself is a main part of a person's adaptive behavior in life. Marketing plays a role in our everyday ways of life, whether it is realized or not. In order to fully understand which strategies are most successful for the specific desired outcomes, much research still needs to be reviewed and tested. Many studies have been focused on the promotions and costs of products for consumers, but that is not the only essential element of marketing. This article searches for a technique to use that will be just as effective in an increase of sales as a cost reduction such as a

coupon or discount, without the means of adjusting prices. The main focus is on contactual relationships. This pertains to our study in that one of our main focuses is which method of marketing will be more effective using three different techniques. Each method contains a different level of contact between the participant and the experimenter. The product being used in this study is Red Bull Energy Drink.

Red Bull Energy Drink is a privately owned company that dominates the energy drink producers with 80 percent of the market. It is a non-alcoholic drink that is produced in Australia and distributed to over 100 countries world wide. The founder of the product is Dietrich Mateschitz, who currently owns 49 percent of the company. It was founded in 1987, and Hungary was the first country to launch the product in 1992 (Datamonitor, 2008). The products distributed by Red Bull are Red Bull Energy Drink and Red Bull Sugar Free. New to the year 2008 is Red Bull Simply Cola, but this product is not of concern in our study. The product is an energy drink that is targeted to consumers who need to feel alert, need an extra boost of energy, or are going to experience strenuous activity such as sports, long drives, or examines. It is said that the product increases metabolism, increases endurance, improves reaction speed, improves concentration, improves mental alertness, and improves stamina. The main ingredients in the product are taurine, glucoronolactone, caffeine, vitamins B6, B12, and carbohydrates. The sugar free version has aspartame and acesulfame K as their replacement for sugar. The ingredients in the products are not harmful when consumed at a moderate rate. However, in some countries, the product is only distributed through chemists for precautionary measures (Datamonitor, 2008).

In the article, *Competitive Promotional Strategies*, Narasimhan (1988) explains that consumers tend to be loyal to a specific brand of product, and that loyalty depends on two main factors. Those factors concern discounts and promotions. The type of promotions for the product can result in loyal consumers, and even switchers. The term switcher refers to a person who was once loyal to the competitor's brand and has now switched over to the brand of interest. This article shows us that the method of marketing for promotions is a very important aspect of a business that needs to be fully understood to acquire the most effective results.

A study on nonverbal memory tests was completed by Stacy & et. al (2004), and researched the effects of nonverbal tests and the ability to recall alcohol commercials. A total of 750 participants were surveyed in ways that did not require verbal feedback, but nonverbal sketches. The participants were asked to draw sketches of commercials they could recall from memory. The accuracy of how well the sketches actually reflected the commercial was systematically scored. This was of interest in our study because one of the methods we used was strictly verbal with no visual cues. If a commercial is an effective marketing technique, this means that the verbal method used in our experiment may not be as effective if it does not allow any visual cues to remember the brand or product. If nonverbal recall is strong for commercials, this means that the visual aspect of marketing could also be strong.

Rotfeld (2007) explains in an article that consumers should be knowledgeable on the products they are consuming. Too many companies do not want their consumers to know what their product is made of, for it is not considered healthy. When the consumer knows that the product being purchased and consumed is in fact healthy, it makes the

consumer more likely to further purchase the product. It is also stated that it is ethical for a company to explain the health issues of the product. The company needs to help the consumer know what he or she needs. In our study, the information we are providing for each participant consists of what our product is made of as well as the benefits it has to offer. This article helps us to prove that by supplying this information, in any form, should help increase sales and consumption, because our product is a healthy product in moderation. The health benefits are stated in each method of the experiment.

In another study conducted on energy drinks as a whole class, different factors were tested to determine if they affect consumption habits. These factors included jock identity, masculine norms, and risk-taking actions with gender differences in mind. A total of 795 undergraduate students were surveyed regarding these factors and their consumption habits for energy drinks at a public university. The study found that jock identity had a positive relationship with consumption. It did not find a difference in gender or masculine identity, however there was also a positive relationship between risk-taking behavior and consumption. This study shows us that not only are marketing techniques able to affect the outcome of our study, but so are other factors such as these and more (Miller, 2008). This is an important concept to consider.

According to an article from an online newspaper source, Chris Baggott, from Greenfield, Indiana, is the cofounder of an email software firm called ExactTarget. He believes that marketing via email is possibly the perfect technique to use. It is virtually inexpensive and the world practically revolves around email and internet. Email is considered one of the greatest and most revolutionary technique of marketing that most companies to not use or understand its potential (Wiley, 2007). In our experiment, we are

used email to conduct our follow up survey, which in turn is considered an advertising technique in itself.

In our study, we attempted to reveal if the presentation of different marketing techniques would influence a change in consumption of the product. We hypothesized that this presentation of the marketing techniques would change the consumption numbers. Also, the most effective marketing technique to increase sales for a specific product was analyzed. We used three different methods of informing participants about the product Red Bull Energy Drink. These methods consisted of verbally supplying the participants with information regarding the drink, giving the participants a pamphlet with the same information to have them read it, and supplying a power point presentation with the information. Each technique of informing the participant about the product was paired with an actual sample of the Red Bull Energy Drink or Red Bull Sugar Free depending on the participant's preference. The results of this study could be applied to many different aspects of life, including teaching techniques, assuming that the results reveal which method is most effective. The method that leads to the greater increase in product sales after the experiment is assumed to be the most effective in relaying information to a person in a manner that is very influential, meaning influential enough for the participant to purchase the product more than before the treatment was administered. Whether or not the different types of methods used for marketing techniques caused a change in the consumption of the product is the question of interest for this study.

Participants

The participants used in this study were recruited from the Human Subject Pool at Lindenwood University. They were undergraduate students enrolled in a general education class of psychology, anthropology, or sociology. Also, some participants were recruited after making an announcement in their classroom with permission from the professor. The class was Behavior Modification and the professor was Tonie RinconGallardo. A can of Red Bull Energy Drink was offered as compensation in this class. There were a total of 64 participants, but 33 participants' data were excluded due to factors such as affiliation issues and missing data. Thirty-two were male and 32 were female ranging from ages 18 to 25.

Materials

The materials used in this study were pens and pencils for filling out the forms and questionnaire, a desk or table and chairs, paper, computer and printer to type up and print out the forms and questionnaires, the script, the pamphlet, and the power point as well as the computer for the power point, and Red Bull Energy Drink and Red Bull Sugar Free. The script, pamphlet, and power point contained information about Red Bull, including the ingredients, effects of the ingredients, and possible uses of the product. The ingredients mentioned were taurine, glucuronolactone, caffeine, and carbohydrates. It said that taurine and glucuronolactone help to get rid of metabolic by-products, and caffeine refreshes and stimulates metabolism. The uses were for high performance activity, driving, studying, partying, and being a mother (Red Bull Sampling Pamphlet, 2007). The forms consisted of two different informed consent forms, questionnaires, sign-in sheets, receipts for extra credit, email sheets, lists of ingredients, and feedback

letters. The first informed consent form asked for the participants to allow a brief initial questionnaire regarding information about age, sex, familiarity and affiliation with Red Bull or competitors, and Red Bull consumption habits. It also told the participant they could terminate the study at any time and asked if they were at least 18 years or older. The second informed consent form was similar, except that it asked for the participants email address as well as permission to email the follow-up questionnaire. The follow-up questionnaire asked if the participant believed the method of marketing used was effective and the number of cans consumed after the experiment. The sign-in sheets were for the HSP office, as well as the extra credit sheets for extra credit in an entry level psychology, sociology, or anthropology class. The email sheets were for the participants to fill in their email address if given permission through the second informed consent form. The list of ingredients included every ingredient in Red Bull Energy Drink and Red Bull Sugar Free. This was to ensure that no participant had any known allergies for any of the ingredients. Finally, the feedback letter was given to explain the purpose of our study and provide contact information for further interest of results. Also, 8.3 ounces of Red Bull and Red Bull Sugar Free were offered as compensation. These cans were supplied by Red Bull North America. The room in which most of the experiments took place was the Psychology Lab of the Young building, Room 105. The classroom in which the other participants were recruited was also in Young in Room 411. Each place had the appropriate lighting and a moderately comfortable atmosphere. However, the labs in Young, Room 105 was periodically noisy.

Procedure

Participants began our study by signing in and filling out the first set of informed consent forms (see Appendix A). The participant kept one informed consent form and the experimenter kept the other. HSP student participants received their extra credit slip at this time. Next, the participant filled out a brief questionnaire regarding their age, gender, familiarity with the product and affiliation with Red Bull or Red Bull competitors (see Appendix B). Then, participants were subject to one of the three different marketing techniques of similar length, about 3-5 minutes. In order to ensure equal sample sizes, each participant received a number with either a letter V, PP, or PA. Those who received the verbal techniques in which only the script was read to them had a V after their number. The letters PA were placed after the numbers of those participants who were asked to read a pamphlet containing the same information as the verbal script. Those who received a PP after their number watched a power point presentation on the same information as the verbal script and the pamphlet. The verbal method only included the experimenter reading the information. The pamphlet method included the experimenter handing the participant a pamphlet and asking them to read the pamphlet while sitting in the room. The power point method included the experimenter presenting a power point presentation on a lap top computer and reading out loud along with the slides. The information for the treatment techniques was identical, except in the way they were presented. This information consisted of the ingredients in Red Bull Energy Drink and the benefits it can provide. They were then asked for any questions concerning the study. Then each participant was given a second pair of informed consent forms asking for an email address and permission to email a follow-up questionnaire (see Appendix

D). If the participant agreed, they signed both informed consent forms, in which one copy was kept by the participant and the other by the experimenter. Then they wrote out their email address on the provided sheet (see Appendix G). At the end of the experiment for each of the treatment groups, an 8.3 ounce can of Red Bull or Red Bull Sugar Free was offered as a token of our appreciation to the participants. A complete list of ingredients was provided (see Appendix C) and each participant was asked to verify that they have no known allergies or illnesses due to any of the ingredients. Participants were then debriefed on the study and received a feedback letter explaining who they could contact for any further information or questions regarding this study (see Appendix E). Approximately one week after the study, the participant received the questionnaire via email. This questionnaire requested information regarding the number of cans of Red Bull consumed since the study took place as well as whether or not the participant's awareness of Red Bull has increased. (see Appendix F).

Results

We hypothesized that there would be a difference in the number of cans consumed between the initial experiment and the follow-up, based on the marketing technique used. An ANOVA was conducted using change in consumption as our dependent variable and the method of marketing as our independent variable. After analyzing the data of the one-way ANOVA, we found statistical significance with the F value of 0.672, critical value of 0.519, alpha level of 0.05, df(between) of 2 and the df(within) of 28, using N = 31. We excluded nine participants' data because they answered "yes" to the affiliation question in our initial questionnaire. We were forced to exclude data from 33 participants because they either failed to complete our follow-up e-

mail questionnaire or incorrectly answered the consumption question. The mean change in consumption for the verbal marketing technique was zero. The mean change in consumption for the pamphlet marketing technique was 0.55. Finally, the mean change in consumption for the power point presentation was 0.82. Table 1 displays the number of participants per method of marketing. Table 2 displays the results of the one-way ANOVA.

Table 1

Between-Subjects Factors

		Value Label	N
Method of	1	Verbal	9
Marketing	2	Pamphlet	11
	3	Power Point	11

Table 2

Tests of Between-Subjects Effects

Dependent Variable: Change in
Consumption

Source	Type III Sum of Squares	df	Mean Square	F	Sig.
Corrected Model	3.378 ^a	2	1.689	.672	.519
Intercept	6.348	1	6.348	2.526	.123
Method	3.378	2	1.689	.672	.519
Error	70.364	28	2.513		
Total	81.000	31			
Corrected Total	73.742	30			

a. R Squared = .046 (Adjusted R Squared = -.022)

Discussion

We found statistical significance and were, therefore, able to reject the null hypothesis. By rejecting the null hypothesis, our experiment suggests that a change in consumption depends on the application of a marketing method. Furthermore, certain methods of marketing seem to be more effective than others. The difference in effectiveness can be seen through the varying means found among the three methods of marketing used. The power point presentation method showed the most extreme change

in consumption, followed by the pamphlet method and lastly, the verbal method. Similar to the study done by McGarry (1991), the level of contact between the participant and experimenter seemed to play a part in the effectiveness of the marketing technique.

However, in our study, contact seemed to have an inverse relationship with the effectiveness of the marketing technique. We believe the verbal method to utilize the most amount of contact because it is merely a one-on-one encounter with no visual aid.

In our experiment, the verbal method created absolutely no change in consumption.

Also, in comparison to the Rotfeld (2007) study, educating our participants about the product itself increased the overall change in product consumption. Additionally, Stacy, Pearce, Zogg & Dent (2004) found that participants could accurately recall commercials when asked to sketch them. This relates to our study because our power point presentation method closely resembled a commercial. Also, the power point presentation method was the most effective method in increasing participants' product consumption.

There were several limitations found in our study. First, the amount of time it took for our experiment to be approved by the appropriate people with Red Bull North America was much lengthier than predicted. Also, participants tended not to show up at their designated times. We also found that one of the questions on our initial questionnaire was unclear. It asked the participant about their previous or current affiliation with Red Bull or any of its competitors. Participants often misinterpreted the word affiliation. When attempting to email the participants the follow-up questionnaire, some of the participants handwriting was difficult to decipher in regards to the email address they were asked to provide. Furthermore, many participants chose not to complete this follow-up questionnaire or they answered the questions incorrectly. There

was also a confounding variable within our study. This occurred when we conducted our experiment on an entire class using strictly the pamphlet method of marketing. This was not done for any other method, and therefore, could have affected our overall results.

The room in Young where the Psychology Lab is, Room 105, is periodically very noisy and could interfere with the results of the study in several ways. It could interfere with the participants' concentration or whether or not the participant could hear the experimenter when speaking. This is especially important for the verbal method because all the participants in this group were only presented the information verbally, so any interference could have been a much more severe problem than for the groups who also had the information in sight as well. Also, one experimenter only administered the verbal group, but both experimenters administered pamphlet group and power point group. This also could have been a confounding variable because of the way the experimenters presented themselves and their reading performance.

These problems could be accounted for by, first, clarifying the word "affiliation" in our initial survey. Next, the follow-up questionnaire needs to specify the need for a numerical value in regards to the cans consumed following the experiment. Finally, the experimenters should be in charge of writing down the participant emails to ensure legibility and the room needs to be more quiet in ensure complete concentration.

References

- McGarry, E. (1991). The contactual function in marketing. *The Journal of Business of the University of Chicago*, 24, 96-113.
- Miller, Kathleen E. (2008). Wired: Energy drinks, jock identity, masculine norms, and risk taking. *Journal of American College Health*, 56, 481-489.

Narasimhan, C. (1988). Competitive promotional strategies. *The Journal of Business*, 61, 427-449.

Red Bull GmbH (2008). Datamonitor Company Profiles Authority. Retrieved from Business Search Premier through EBSCOhost, from www.datamonitor.com.

Red Bull Sampling Pamphlet (2007). If you want to stay on top of things in this 24/7 world, you'll need to get some wings. *Red Bull North America, Inc.*

Rotfeld, Herbert Jack. (2007) Mistaking a marketing perspective for ethical analysis: when consumers can't know that they should want. *The Journal of Consumer Marketing*, 24, 383.

Stacy, Alan W., Pearce, Steve G., Zogg, Jennifer B., & Dent, Clyde W. (2004). A nonverbal test of naturalistic memory for alcohol commercials. *Psychology & Marketing*, 21, 295-322.

Wiley, John, and Sons Ltd. (2007). Discover the e-mail marketing tactics used by some of the biggest and most successful companies. Retrieved on November 28, 2008 from Newspaper Source database.

Appendix A

82

Informed Consent Form

I, _____ (print name), understand that I will be taking part in a research project that requires me to complete a short questionnaire asking about my Red Bull consumption and affiliation. To the best of my knowledge, I do not have any allergies toward Red Bull Energy Drink or Red Bull Sugar Free or any additives that may be part of Red Bull Energy Drink or Red Bull Sugar Free as stated in the list of ingredients. I understand that I should be able to complete this project within 15 minutes. I am aware that my participation in this study is strictly voluntary and that I may choose to withdraw from the study at any time without any penalty or prejudice. I should not incur any penalty or prejudice because I cannot complete the study. I understand that the information obtained from my responses will be analyzed only as part of aggregate data and that all identifying information will be absent from the data in order to ensure anonymity. I am also aware that my responses will be kept confidential and that data obtained from this study will only be available for research and educational purposes. I understand that any questions I may have regarding this study shall be answered by the researcher(s) involved to my satisfaction. Finally, I verify that I am at least 18 years of age and am legally able to give consent or that I am under the age of 18 but have on file with the HSP office, a completed parental consent form that allows me to give consent as a minor.

_____ Date: _____

(Signature of participant)

_____ Date: _____

(Signature of researcher obtaining consent)

Student Researchers' Names and Numbers:

Supervisor:

Dr. Michiko Nohara-LeClair

Course Instructor

Appendix B

83

Participant # _____

Questionnaire

1. Please specify your gender.

Male

Female

2. How old are you? _____

3. Are you currently or have you previously been affiliated with Red Bull or any Red Bull competitors such as Coca-Cola, Pepsi or Anheuser Busch?

Yes

No

4. Are you familiar with Red Bull products?

Yes

No

5. Approximately how many cans of Red Bull Energy Drink or Red Bull Sugar Free do you consume in a week? _____

Appendix C

List of ingredients for Red Bull:

carbonated water
sucrose
glucose
sodium citrate
taurine
glucuronolactone
caffeine
inositol
niacinamide
calcium pantothenate
pyridoxine HCl
vitamin B12
natural and artificial flavors
colors

List of Ingredients for Red Bull Sugar Free:

carbonated water
sodium citrate
taurine
glucuronolactone caffeine
acesulfame K
aspartame
inositol
xanthan gum
niacinamide
calcium panthothenate
pyridoxine HCl
vitamin B12
natural and artificial flavors
colors

Appendix D

Follow-Up Informed Consent Form

85

I, _____ (print name), understand that I will be partaking in a research project that asks me to complete a short questionnaire via email about my Red Bull consumption and awareness. I am aware that my participation in this study is strictly voluntary and that I may choose to withdraw from the study at any time without any penalty or prejudice. I should not incur any penalty or prejudice because I cannot complete the study. I understand that the information obtained from my responses will be analyzed only as part of aggregate data and that all identifying information will be absent from the data in order to ensure anonymity. I am also aware that my responses will be kept confidential and that data obtained from this study will only be available for research and educational purposes. I understand that any questions I may have regarding this study shall be answered by the researcher(s) involved to my satisfaction. Finally, I verify that I am at least 18 years of age and am legally able to give consent or that I am under the age of 18 but have on file with the HSP office, a completed parental consent form that allows me to give consent as a minor.

_____ Date: _____
 (Signature of participant)

_____ Date: _____
 (Signature of researcher obtaining consent)

Student Researchers' Names and Numbers:

Jennifer Hogenmiller (314) 603-2291

Kailey Steuber (314) 452-6099

Supervisor:

Dr. Michiko Nohara-LeClair

Course Instructor

(636) 949-4371

mnohara-leclair@lindenwood.edu

Appendix E

86

Feedback Letter

Thank you for participating in our study. The questionnaire was used in order to determine people's current consumption and affiliation with Red Bull. The information provided was a method of marketing that we are testing. Three different methods are being used in this study. The first method is verbally teaching the participant about Red Bull products. The second is the participant is given a pamphlet to read. The third is the participant is shown a power point presentation. One of these three methods was used in your study. This is being done to show that there is a difference in the consumption and purchasing of Red Bull products after the different marketing techniques are used. The follow-up email survey is used to determine the current consumption and purchasing of Red Bull after the experiment.

Please note that we are not interested in your individual results; rather, we are only interested in the results of a large group of consumers, of which you are now a part of. No identifying information about you will be associated with any of the findings.

If you have any questions or concerns regarding any portion of this study, please do not hesitate to bring them up now or in the future. Our contact information is found at the bottom of this letter. If you are interested in obtaining a summary of the findings of this study at a later date, please contact us and we will make it available to you at the completion of this project.

Thank you again for your valuable contribution to this study.

Sincerely,

Principal Investigators:

Kailey Steuber

Jennifer Hogenmiller

Supervisor:

Dr. Michiko Nohara-LeClair 636-949-4371 mnohara-leclair@lindenwood.edu

Appendix F

87

Participant # _____

Follow-Up E-Mail Questionnaire

1. Since your participation in the experiment, approximately how many cans of the product have you consumed? _____
2. Do you believe that the marketing technique used during your participation in the experiment was effective in increasing your general knowledge and awareness of Red Bull products?

Yes

No

Appendix G

Participant # _____ Date _____

Participant e-mail _____

Author Note

Jennifer Hogenmiller, Department of Psychology, Lindenwood University; Kailey Steuber, Department of Psychology, Lindenwood University.

Jennifer and Kailey would like to acknowledge Dr. Nohara-LeClair for support and active participation in our study, Dacia Meyer and Red Bull North America for allowing this study to be conducted and for providing various materials and to all of the volunteers who kindly participated in our study.

Correspondence concerning this study should be addressed to Jennifer Hogenmiller, Department of Psychology, Lindenwood University, St. Charles, Missouri 63301. E-mail: jennhogenmiller@gmail.com or Kailey Steuber, Department of Psychology, Lindenwood University, St. Charles, Missouri 63301. E-mail: krsteuber@aol.com.