Red Bull Stratos: Public Relations Case Study

Allison Melrose MEJO 531 Trevor Bell October 18, 2018

Introduction

On October 14, 2012, Austrian daredevil Felix Baumgartner jumped from a helium balloon more than 24 miles in the air. In that moment, he became the first person to break the sound barrier unaided by vehicle, achieved eight world records, and furthered the scientific research on the limits of the human body (Sampiero, 2013). Baumgartner's free fall was a milestone in the history of humanity, and throughout it all, prominently displayed on every surface, was the Red Bull logo. This daredevil act, conceived and executed by energy drink company Red Bull, is an example of the ways in which a public relations stunt can contribute to both the reputation and bottom line of a company. After presenting a synopsis of the event, known as Red Bull Stratos, this case study will analyze the efficacy of the campaign from a public relations perspective and argue that Red Bull achieved its measurable goals. By effectively researching and understanding the target audience, developing on-brand messages, and communicating through various forms of media, Red Bull's stratospheric stunt provided significant gains for the company.

Synopsis

Red Bull Company Overview

Red Bull is a privately-owned energy drink company based out of Austria with markets in 171 countries around the world (MarketLine, 2018). The company's catchphrase is "red bull gives you wings," and while the brand does not have a formal mission statement, this declarative phrase captures the spirit of Red Bull. Over the years, Red Bull has demonstrated its dedication to this statement by becoming deeply involved in the world of extreme sports. The company sponsors risk-taking athletes from a variety of disciplines, such as wingsuit flying, BMX, air

3

racing, and base jumping, in addition to hosting events and competitions for these communities. Additionally, the company is involved in more traditional sports, such as basketball and soccer, and sponsors individuals involved in other types of competitions, such as esports and chess ("Athletes," 2018).

To disseminate this information to its publics, Red Bull has created Red Bull Media House, Red Bull TV, and the Red Bulletin, a monthly publication with branded content about culture, sports, and lifestyle (Puzzle London, 2017). All of these efforts come together to create a brand image deeply centered around the phrase "red bull gives you wings." Instead of channeling money into traditional advertising, Red Bull creates thrilling events targeting their generally young and active publics. This strategy provides countless public relations opportunities to center Red Bull's brand image in the limitless bounds of human endeavors and creativity (Puzzle London, 2017)

When it comes to public relations threats, there are no active issues, as Red Bull's brand is currently surrounded by positivity. Red Bull follows a proactive environmental scanning strategy and has hired public relations firm Hawthorne Strategy Group to manage and plan for possible threats. The Hawthorne group currently identifies the intense scrutiny of energy drinks and the complications of global business as the greatest threats to Red Bull's position, but, because of Red Bull's proactive strategy, these threats are unlikely to become crises (Hawthorne Strategy Group, n.d.).

Red Bull Stratos Campaign Overview

While Red Bull is involved in many of the world's most daring sports ventures, Red Bull Stratos stands out the most in the brand's marketing history. Red Bull approached Baumgartner in 2005, and for the next seven years, Baumgartner and Red Bull worked together to develop

4

Red Bull Stratos. ("Mission History," 2012). While Red Bull often sponsors athletes from the sidelines, the company took complete ownership of this project, hiring all the scientific minds and financing the entire operation. This also meant that should the stunt fail, all responsibility would be on Red Bull's shoulders (Nudd, 2012).

Key players.

Felix Baumgartner: Baumgartner was the main media spokesperson for the event, although other members of the Red Bull Stratos team and top Red Bull executives also gave comments.

Red Bull Stratos team: Red Bull put a lot of effort into selecting qualified and high-profile individuals to add expertise and prestige to the Red Bull Stratos team ("Mission History," 2012). By far the most important member of the team was previous free fall record-holder Joe Kittinger. During the livestream of the event, viewers could hear Kittinger relay instructions from mission control to Baumgartner ("Col. Joe Kittinger", 2012).

Target publics: Discussed in Analysis section

Red Bull public relations team: See company overview above

Event timeline.

- 2005 Baumgartner and Red Bull begin discussing ideas for a stratospheric freefall. The plan lacks all details, but the concept is in place.
- · 2007 Intense planning and technical team recruitment begins.
- · 2010 First media mentions of Red Bull Stratos begin appearing in niche articles and magazines (<u>Universe Today</u>, <u>Space.com Popular Mechanics</u>). Baumgartner takes the

narrative lead and provides most of the quotes, but all articles mention the dedication of

5

the Red Bull Stratos team.

Early 2012 – Final jump location is revealed. Baumgartner performs two test jumps. Red

Bull's social media and mainstream media continue to keep up with the progression.

October 14, 2012 – Final jump. Red Bull livestreams the entire event on YouTube, and

Baumgartner breaks the speed of sound (timeline events from "Mission History," 2012).

Days and weeks following the jump – Red Bull and Baumgartner receive an enormous

amount of publicity (discussed below)

After the Jump: Outcome of Red Bull Stratos Campaign

Red Bull Stratos was a resounding success. As promised, the event contributed greatly to

science, and Red Bull's reputation experienced a major boost. The livestream garnered 8 million

views, which, at the time, made it the most watched livestream in history. Additionally, the stunt

was picked up by 40 TV stations and 130 digital outlets, and half the trending tweets worldwide

were related to Red Bull Stratos (Chun, 2012). Even better, this exposure directly translated into

gains for Red Bull's bottom line; in the six months following the jump, Red Bull's sales spiked

6% (Zmuda, 2013). It is hard to know what the internal effects of this case are, as Red Bull is a

privately-owned company and does not release internal documents. Although, Red Bull has

continued sponsoring extreme events, so it seems logical that the event was deemed an internal

success.

Analysis

Red Bull Stratos is an example of a public relations campaign in which the company excelled and received the benefits from their well-designed actions. In this analysis section, I will break down the Red Bull Stratos campaign to showcase the campaign's success. For clarity, the analysis is organized according to the chronological RACE model of public relations.

Research

In the research stage, the company determines whether there is a threat to avoid or an opportunity to capitalize on (Swann, 2014, p. 6). While we do not have access to Red Bull's internal documents, it is possible to extrapolate elements of their research process from their external actions.

An area of research in which Red Bull excels is target public research. According to an article by Rohan Ayyar, Red Bull generally targets "18- to 34-year-old men based on their interests—being outdoors, taking risks and having fun" (2015). We can assume Red Bull's previous research determined that young active males are most likely to buy energy drinks. As demonstrated by Red Bull's dedication to extreme sports, Red Bull takes its commitment to its consumers seriously. While most companies simply use target research to develop a campaign to sell product, Red Bull has dedicated its entire company to supporting the target public's interests. In fact, at Red Bull, "the product itself is secondary to the activities that the customer engages in and cherishes" (Collier, 2018). This method is an ideal example of the relationship management theory, which proposes that mutually beneficial relationships are essential to public relations efforts (Swann, 2014, p. 559). By channeling capital into the sports Red Bull's publics love, the brand fosters a mutually beneficial relationship founded on shared values.

While the Red Bull Stratos campaign certainly appeals to the brand's usual public, this campaign also expanded the company's demographic reach. By moving from disseminating information about niche extreme sports to garnering mainstream international press about a scientific endeavor, Red Bull was able to catch the attention of a much broader public.

Action Planning

In this stage of the RACE model, companies develop goals, strategies, objectives, and tactics to address the opportunity (Swann, 2014, p. 6). Due to the long-term nature of this project, it is safe to assume Red Bull had all four of these action planning categories. On the Red Bull Stratos website, Red Bull claims that "the purpose of the Red Bull Stratos mission is to transcend human limits" ("What is the Mission?" 2012). While Red Bull consistently maintained that advancing science was the true goal of Red Bull Stratos (Zmuda, 2013), the event also perfectly aligned with the brand's continuous public relations goal: to continue building brand awareness and prove that Red Bull "gives you wings."

It seems likely that Red Bull's idea for a daredevil public relations stunt followed the diffusion theory. This theory proposes that "people make decisions or accept ideas following ordered steps: awareness, interest, trial, evaluation, and adoption" (Swann, 2014, p. 560). Public relations stunts, such as Red Bull Stratos, are excellent ways to draw public attention to a brand and create buzz (Chapple, 2013). It is likely that Red Bull's measurable objective was something along the lines of, "to improve awareness/interest in the Red Bull brand by X percent by X year." As the Red Bull Stratos campaign achieved such high viewership, this objective was likely fulfilled.

What determines whether a public relations stunt will be effective? According to an article from Cision Canada, stunts are most successful when they align with brand values,

8

provide visual content, and qualify as newsworthy (Chapple, 2013). What more can prove that Red Bull "gives you wings" than a man jumping from the edge of outer space with the Red Bull logo emblazoned across his chest? Additionally, this was humanity's first attempt to break the sound barrier unaided by vehicle, and combined with the visual livestream, the event made perfect content for social media and mainstream news.

Communication Tactics

This is the part of the RACE model where the external communication tactics happen, and because it is the most external, it is the easiest to evaluate. Red Bull used multiple methods of communication to reach its target audience.

Earned media. Red Bull did an excellent job of communicating with journalists before, during, and after the event to gain third-party credibility. A main way Red Bull did this was by creating an online Red Bull Stratos Newsroom on their media relations website, Red Bull Content Pool. The website contained mission information, fact sheets, photos, and more ("Red Bull Stratos Pool," 2012). This is an excellent way to control the message about the campaign and disseminate information to a large number of journalists. This method clearly worked, as all earned media mentioned Red Bull.

Journalists could have easily dropped the "Red Bull" in "Red Bull Stratos," but the company made their role in the event so integral that the media left it in (Zmuda, 2013).

YouTube. YouTube played a critical role in the success of the Red Bull Stratos campaign, as this is the platform Red Bull chose to host their livestream. This was a good public relations decision, as Red Bull's primary audience are also fans of the online video sharing site, and it seems more forward-thinking than using a more traditional format.

such as television (Skene, 2014). Online streaming also gave Red Bull complete autonomy over when to start and end the video feed.

Social media. Red Bull also utilized social media by creating accounts exclusively for Red Bull Stratos on Twitter, Instagram, and Facebook. This is an excellent way to open up two-way communication with an audience, as the company can listen to social media conversations or even engage in direct communication with their publics (Swann, 2014, p. 99-100). While the accounts are no longer active today, they were an excellent way to consolidate information about Red Bull Stratos to create a cohesive narrative and keep interested individuals involved.

Website. Red Bull also created an interactive website at www.redbullstratos.com for interested individuals to explore the mission in more detail. The website, still available in 2018, has extensive details about everything pertaining to Red Bull Stratos. This includes blog posts, team bios, technology explanations, physics details, timelines, and more. The web design has fun graphics and interactive features, which makes it appealing to the curious visitor. Creating campaign-focused websites is almost always a good idea, and it is a topic discussed throughout case study literature. For example, when the United States Potato Board was attempting to increase potato sales through a marketing campaign, they created an attractive, multimedia website, www.potatogoodness.com, to both disseminate information and visually appeal to the audience (Swann, 2014, p. 313-30)

It is important to also note what types of messages Red Bull conveyed through this campaign. A main component of Red Bull's messaging was the impact this campaign would have on science and technology. For example, in a feature story, Red Bull Stratos project director Art Thompson

10

said, "we were able to assemble this leading team of experts to develop the mission; it was about science and learning – the process of saving people's lives." (Red Bull Stratos' Contribution to Science," 2012). Additionally, Red Bull later donated the capsule and spacesuit to the Smithsonian's National Air and Space Museum (Associated Press, 2014), and made the flight data publically available ("Scientific Data Review," 2012). This is a perfect example of corporate social responsibility, which is defined as "a concept where companies integrate social and environmental concerns in their business operations" (Swann, 2014, p. 39). In order to achieve this stratospheric jump, Red Bull had to commit to organizing and funding the science behind it. By then making this knowledge available to the world, the brand objectively furthered humanity.

Evaluation

This is the part of the RACE model which is most difficult to analyze from an outside perspective. During the evaluation phase, the public relations practitioners "evaluate the effectiveness of the public relations program in reaching its goals and objectives" (Swann, 2014, p. 6). A large part of this is proving to upper management that the campaign was worth the investment. In this case, because the international exposure was so extensive, it was likely easy to prove that the campaign was a success. Additionally, after the campaign, the company saw a spike in profits, which, although it is impossible to pinpoint a direct cause, Red Bull Stratos almost certainly contributed to. Also, if we refer back to the action planning stage and assume that the overarching goal was to further prove that Red Bull "gives you wings," the campaign was more than successful.

Suggestions

It is difficult to think of ways in which Red Bull could have improved Red Bull Stratos. For me, one main question remains: was the risk worth the reward? When Red Bull chose to livestream such a dangerous event to millions around the world, the risk was tremendous. To put it blatantly, Red Bull could have livestreamed a death. When Baumgartner started spinning out of control during his descent, it became very clear that the chance of this outcome was not nearly close enough to zero (Red Bull Stratos' Contribution to Science," 2012). As a public relations practitioner, I would have hesitated to take this project in the first place, as the reputational damage caused by Baumgartner's death would have been a major crisis with long-lasting effects. That being said, Red Bull is in a very unique position. The company's brand image is associated with the courage to take risks, so by risking it all with Red Bull Stratos, Red Bull proved that it could lead by example.

Conclusion

Red Bull is an example of taking brand image to the extreme. With a strategy that puts promotion before product and by always keeping the target audience in mind, Red Bull has carefully crafted their brand image to reflect a culture of testing limits and taking risks. Red Bull Stratos was simply an extension of this image cultivation, and it helped thrust Red Bull into the international spotlight. This public relations stunt was an enormous success. Through a RACE model analysis, we see that the Red Bull public relations team carefully directed the science-oriented mission every step of the way. By utilizing public relations theories and communicating through various forms of media, the Red Bull public relations team made sure that when Baumgartner jumped from his capsule, 8 million viewers were there to watch the descent. This case study helps prove Red Bull's worldview correct; high risks do equal high rewards.

References

- Associated Press. (2014, April 02). Baumgartner's Capsule Going on View in D.C. Retrieved from https://www.nbcwashington.com/news/local/Supersonic-Skydivers-Capsule-Going-on-View-in-DC-253343791.html
- Athletes. (2018). Retrieved from https://www.redbull.com/us-en/athletes
- Ayyar, R. (2015). Red Bull on Content Marketing.

 Retrieved from https://www.targetmarketingmag.com/article/case-study-red-bull-content-marketing/all/
- Chapple, S. (2013, August 16). The Value of PR Stunts. Retrieved from http://www.cision.ca/trends/the-value-of-pr-stunts/
- Chun, J. (2012, October 15). Red Bull Stratos May Change Future Of Marketing. Retrieved from https://www.huffingtonpost.com/2012/10/15/red-bull-stratos-marketing_n_1966852.html
- Collier, M. (2018, July 16). Red Bull Creates Better Content Than You Do, Here's How They Do

 It. Retrieved from http://www.mackcollier.com/red-bull-content-marketing/
- Col. Joe Kittinger. (2012). Retrieved from http://www.redbullstratos.com/the-team/joe-kittinger/index.html
- Hawthorne Strategy Group. (n.d.). Red Bull. Retrieved from https://www.hawthornestrategy.com/case_study/red-bull/
- MarketLine. (2018, March 19). *Red Bull GmbH: Company profile*. Retrieved from MarketLine Advantage database.
- Mission History. (2012). Retrieved from http://www.redbullstratos.com/the-mission/mission-history/
- Nudd, T. (2012, October 15). Red Bull Triumphs With Baumgartner Jump by Getting Out of the

- Way. Retrieved from https://www.adweek.com/creativity/red-bull-triumphs-baumgartner-jump-getting-out-way-144464/
- Red Bull Stratos Content Pool. (n.d.). Retrieved from https://www.redbullcontentpool.com/redbullstratos
- Red Bull Stratos' Contribution to Science. (2012, October 29). Retrieved from https://www.redbull.com/us-en/red-bull-stratos-contribution-to-science
- Sampiero, J. (2013, February 15). Red Bull Stratos: 8 World Records. Retrieved from https://www.redbull.com/us-en/one-jump-eight-records-scientific-achievement
- Scientific Data Review. (2012). Retrieved from http://www.redbullstratos.com/science/scientific-data-review/index.html
- Skene, K. (2014, March 14). A PR Case Study: Red Bull Stratos. Retrieved from https://www.newsgeneration.com/2014/03/14/pr-case-study-red-bull-stratos/
- Swann, P. (2014). Cases in Public Relations Management: The Rise of Social Media and Activism (2nd Edition). Taylor and Francis.
- What Is The Mission? (2012). Retrieved from http://www.redbullstratos.com/the-mission/what-is-the-mission/index.html
- Zmuda., N. (2013, September 02). Red Bull's Stratos 'Space Jump' Wowed the World -- While Selling a Lot of Product. Retrieved from https://adage.com/article/special-report-marketer-alist-2013/red-bull-stratos-space-jump-helped-sell-a-lot-product/243751/