

Is a Super Bowl Ad Really Worth the Cost?

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NEW YORK - Super Bowl ads have, for years, been little more than a beauty contest for advertising agencies. When a company selects an agency's ad to represent it during the Super Bowl, it's sort of like choosing a girl to represent a state in the Miss America pageant. Super



Bowl ads are an iconic, cultural phenomenon that makes very little sense; essentially, they're the advertising equivalent of bathing-suit-clad girls with big eyes and high heels talking about their dreams of world peace. Super Bowl commercials are high-profile advertisements which air during the Super Bowl. Thirty seconds of advertising time cost \$2.6 million due to the extremely large audience, typically over 90 million viewers. A spot cost \$1.2 million 10 years ago. Now, it's \$2.6 million. Don't expect prices to fall anytime soon. And 10 years earlier, Super Bowl ads cost just \$600,000. So the price of a commercial has more than quadrupled in the past twenty years.

Over a year, the price of one Super Bowl ad could provide your company exposure to 50 percent of the population of Southern California. It would buy you enough radio repetition for the average listener to hear your ad four times a week, 52 weeks a year throughout Los Angeles, San Diego, Orange County and the Inland Empire (Riverside and San Bernardino). Altogether, \$2.6 million could buy you several thousand ads, which would reach a total of nearly 15 million people.

Paying \$2.6 million for an ad to air during the Super Bowl might possibly be the dumbest thing you could do with \$2.6 million. Or the smartest. It all depends on what you communicate in the ad. That premium is already plenty high. The cost of a 30-second spot is expected to top out at a reported \$2.6 million this year. Last year, the spots cost a record \$2.5 million, according to Nielsen Monitor-Plus. The first famous Super Bowl commercial was a 1974 ad for Noxzema featuring Super Bowl legend Joe Namath. One of the most longlastingly famous Super Bowl ad campaigns has been the "I'm Going to Disney World" ads for the past 20 years.

By any measure, the Super Bowl is one of the most watched television programs of the year in the U.S. The game tends to have high Nielsen television ratings which usually come in around a 40 rating and 60 share (*i.e.*, on average, 40 percent of all U.S. households, and 60 percent of all homes tuned into television during the game). This means that on average, 80 to 90 million Americans are tuned into the Super Bowl at any given moment. It is also estimated that 130-140 million tune into some part of the game.

NFL press releases have stated that recent Super Bowls have been available to potential audiences of approximately one billion worldwide, although independent studies suggest that the average global viewership is just under 100 million – the vast majority of whom are U.S. viewers (as compared to the estimated 1.1 billion people who watched the final match of the 2006 FIFA World Cup). Given the immense popularity of the Super Bowl, it may be surprising to discover that videotapes of the telecasts of the first two Super Bowls are said not to exist. This is especially shocking for Super Bowl I, which was covered by both NBC and CBS. According to Sports Illustrated, the only footage of the first telecast known to exist is a two minute clip of the first game. From the early days of television into the 1960s, copies of TV broadcasts were routinely erased, mainly because nobody thought anyone would want to watch the same show they had just seen. Another reason was that videotape in those days was prohibitively expensive.

1. Compare and contrast the cost of a 39 second Superbowl commercial in 2007, 2006, 1997, and 1987. What is the percent of change in cost between each of the above?
2. In paragraph form, explain the value of \$2,600,000 in advertising on Superbowl Sunday in comparison to any other time during the year.
3. What is meant when one refers to a Nielsen television rating of 13 and a share of 87 (13/87)? Are these impressive figures in comparison to the Superbowl figures? Explain.
4. "American Idol" ruled the 8 p.m. hour, drawing an 18.4/27, FOX held the lead at 9 p.m. with "House," 14.5/22. "The Unit" earned a 7.8/11, keeping CBS in front of NBC and "Law & Order: Criminal Intent," 5.9/9. ABC was fourth with "Primetime: The Outsiders," while "Veronica Mars" closed the night for The CW with a 1.5/2, NBC took over the lead at 10 p.m. thanks to "Law & Order: SVU," 8.9/15. A second episode of "The Unit" on CBS and ABC's "Boston Legal" tied for second at 6.7/11. Translate, interpret, and graph this data.
5. With a current world population of 6,575,157,756 what is the difference in percentage of World Cup projected viewers in relation to potential viewers of the Superbowl? And this means...?
6. Explain the history behind the original recordings of the first two Superbowls.
7. In the passage above, in paragraph form, explain at least five ways using the "Four-Step Reading" poster simplifies understanding of the material. Be specific.
8. In complete sentences, using contextual clues only, explain the meaning of the italicized words: *iconic* and *longlastingly*, and *prohibitively*. Additionally, use each in a sentence to demonstrate further comprehension. Basically, there are eight questions here.
9. In paragraph form, explain at least five legitimate and educational purposes behind The Daughtry Times.