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Advertising in the Super Bowl: Worth the Cost?

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Advertising in the Super Bowl: Worth the Cost?

A Capstone Project Submitted in Partial Fulfillment of the
Requirements of the Renée Crown University Honors Program at
Syracuse University

Avi Steinbach
Candidate for Bachelor of Arts Degree
and Renée Crown University Honors

Honors Capstone Project in Advertising

Capstone Project Advisor: ____________________
Advisor Title & Name

Capstone Project Reader: ______________________
Reader Title & Name

Honors Director: ______________________
Stephen Kuusisto,

Date: May 6, 2014

Abstract

The Super Bowl has long been considered an unofficial American holiday. Advertisers look at this day as their Christmas – a day when the audience looks forward to commercials. Because of the immense value that a Super Bowl spot holds, there is an equally high price tag to pay for a spot.

The original question posed in this thesis was: Is a Super Bowl advertisement worth the cost? After diving into countless articles arguing both sides and looking at companies' successes and failures, it became clear that the wrong question was being asked. Rather than thinking about all companies, the decision of whether or not to purchase a Super Bowl spot needs to take into account specific companies, as well as the time of purchase. That is, while a spot may be right for a company one year, it may not be right the next year.

As a result of the research, a CEO's Guide to Super Bowl Spending has been created to help a company determine whether or not they should invest in a Super Bowl spot. The term *invest* is key because a spot is an investment, and never a guarantee. Further, this paper discusses the keys to a successful creative execution, should an advertiser decide to go forward with advertising in the Super Bowl.

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Executive Summary

This paper is likely being read by two types of people: someone interested in learning about advertising spending, or a CEO considering whether or not to sign off on a $4 million Super Bowl ad cost.

The purpose of this paper, therefore, is to help a company determine the value of a Super Bowl spot.

Whether you are a CEO with a pen in hand being pushed to sign a $4 million check, or are simply reading to learn, I ask you to consider one question while reading this paper: would you invest $4 million in a Super Bowl advertisement?

Throughout writing this report I asked myself that same question. The value is undeniable, as it unites a fragmented audience with record numbers, is the one time the audience wants to watch ads, and has been proven in the past for many companies, like GoDaddy. While many consider a Super Bowl ad to be priceless, CEO's must ask, how much money is too much money? And after reading about both sides and realizing that there are valid reasons both to, and not to, invest in a Super Bowl spot, I came to a realization.

Perhaps this is not a yes-or-no question.

Rather, this is a question that relies more heavily on a company's attributes than anything else. But how, then, could a report address specific companies?

By taking into account all of the points for and against Super Bowl spending, I started to notice some trends. From there, with help from my professors, I began to build a formula which has become known as the *CEO's Guide to Super Bowl Spending* (big thanks again to Professor O'Neill and Professor Egan the help).

The guide is not money-back guaranteed. That is because nothing in advertising can be guaranteed. And while no guide is perfect, this guide is intended to be a vital tool for companies contemplating advertising in the big game. It is intended to help a company understand if a Super Bowl advertisement is a good investment or not, for them. It includes a scoring system that takes five questions into account:

(1) How much is the company worth?

(2) How big is the company's advertising budget?

(3) How much awareness does the company currently have?

(4) Has the company advertised in the Super Bowl in the past? How many years?

(5) How many brand competitors are advertising in the big game?

To each of the aforementioned questions, there is a simple scoring guide. Plug your scores into a final formula and determine whether or not the CEO's Guide recommends that you advertise in the Super Bowl.

The guide takes into account past experiences from the greatest Super Bowl success stories to the worst failures. It looks to be cautious while giving permission to the bold.

And, ultimately, the guide makes a suggestion. This paper is written with the intention of being placed in front of top executives sitting around a table considering whether or not to invest.

The report then includes a section for those who decide to advertise. It takes a look at past creative successes and failures, and finds what the success stories have in common. There is no formula to creative, but there is guidance.

This research has purpose if it stimulates your mind to consider both sides of Super Bowl advertising spending. It is a success, however, if it successfully serves as a timeless guide that can finally help answer the question: Is a Super Bowl advertisement worth the cost?

Acknowledgements

A big thank you to Professor Kevin O'Neill and Professor Egan who have worked tirelessly with me to help me better understand Super Bowl spending. Thank you also to the Honors department for the guidance and constantly pushing me forward. And, of course, thank you to Mom and Dad for listening to me for countless hours as I ranted about all my potential conclusions and, without saying a word, helping me get this paper to where it is.

Section 1: The history of Super Bowl advertising

After one company thought different, Super Bowl advertising would never be the same.

Chapter 1: Introduction

Shh, the commercials are on.

The Super Bowl is considered by many to be an unofficial American holiday.

Yards worth of hoagies. Spicy hot wings. 10-layer dips. Cracking a cold one with dad. And, oh yeah, a football game is played, too. Super Bowl Sunday is so popular, in fact, that there is an annual petition to the White House to make Super Bowl Sunday a national holiday.

So far the petition has been unsuccessful (White House, 2013).

What you may know from first hand experience is that many don't watch the Super Bowl for the football. After all, unless your team is the best of the best (and I know mine never is), it has already been eliminated. Rather, a majority of viewers tune into the Super Bowl to watch advertisements (Davidson, 2012).

The Super Bowl is known for some of the greatest and most memorable advertising over the past few decades. From Mean Joe's Coca-Cola ad to Go-Daddy's scandalous ads, from Apple's 1984 ad to the E-Trade babies, the Super Bowl puts new companies on the map, and keeps old brands relevant. A Super Bowl spot is the most prized spot of the year. This makes the Super Bowl like Christmas for an advertiser.

Of course, with such high value comes an equally high cost.

Super Bowl prices have risen to $4 million for a 30-second spot (Horovitz, 2013). And they are going to keep rising. The spots still sell out more than two months in advance (Siltanen, 2014). Gary Carr, senior Vice President and executive director for TargetCast calls Super Bowl spending supply and demand. Because the spots always sell out before the big game, prices will continue to rise. While a tipping point is inevitable, we may not see it for a long time to come (Krashinsky, 2013).

The game is one of highest-rated shows on TV annually. This, along with other reasons to be outlined in this paper, puts a premium on purchasing an ad spot. The purpose of this thesis is to determine whether or not the value of a Super Bowl advertisement is worth the cost. In order to look at where Super Bowl spots are today, we must look at where they originated.

Chapter 2 – Jobs thought different(ly)

In 1984 Apple aired an ad for Macintosh, and 1984 was not like "1984"

In 1984, IBM was the king of computers (Dumenco, 2014). Though it is hard to believe, as I type this on my Macbook and check my iPhone, Apple had only a 15% market share worldwide (Dumenco, 2014). This year marked the 30th anniversary of the day that all changed.

During Super Bowl XVII, Apple ran an advertisement that would change Super Bowl advertisements forever.

In the advertisement, IBM users are depicted as blue, uniform, mindless followers attentively listening to a man speaking at them from a an enormous screen. It is presumed that he is 'big brother' (Apple, 1984). The tone of the commercial matches that of the book, *1984*, written by George Orwell about a dystopian society. Then comes a woman dressed differently. She is running, holding a sledge hammer while being charged by men in uniform who are trying to subdue her. This woman looks different – rebellious. She is in colorful clothing, not standard IBM blue. It's evident that she represents Mac. She runs past the mindless IBMers, takes a sledge hammer and spins once, twice, three times and heaves it at the screen. The screen shatters and the voice over states:

On January 24th, Apple Computer will introduce Macintosh. And you'll see why 1984 won't be like "1984" (Apple, 1984).

Steve Jobs knew the commercial was something special. When he gave a keynote address introducing it, a young Jobs stood in front of the brand-loyal Mac users and revealed a child-like smile, too big for his face. Before playing the commercials, Jobs asked, "Was Orwell right about 1984?" After the commercials, the crowd erupted. Jobs simply gave a thumbs up and smiled (Jobs, 1984).

Jobs knew the commercial was a special one. But there is no way he ever could have understood just how special it really was.

The impact of the ad was remarkable. Apple sold 72,000 computers the 100 days following the spot. That is 50 percent more than their highest sale projections (Higgins & Frank, 2012). Those familiar with the story often forget that things weren't all good for the brand following the ad. The product was expensive to produce and Apple went into 10 years of decline, during which Steve Jobs was fired (Creamer, 2012). But the immediate results, in terms of the long term payout of the spot, was that it defined the brand (John, 2012). It also changed the way people saw Super Bowl advertising. Everyone wanted to mimic Apple and find similar success. After the commercial aired, people bought into the brand. That still stands today.

It all stemmed from one Super Bowl spot. 30 years ago.

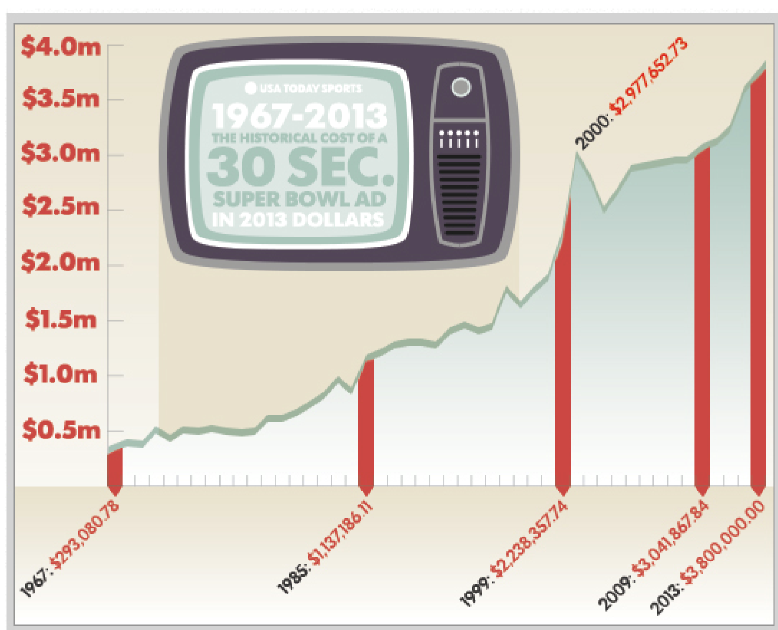
Chapter 3: What happened to the prices?

Prices soared following Apple's success

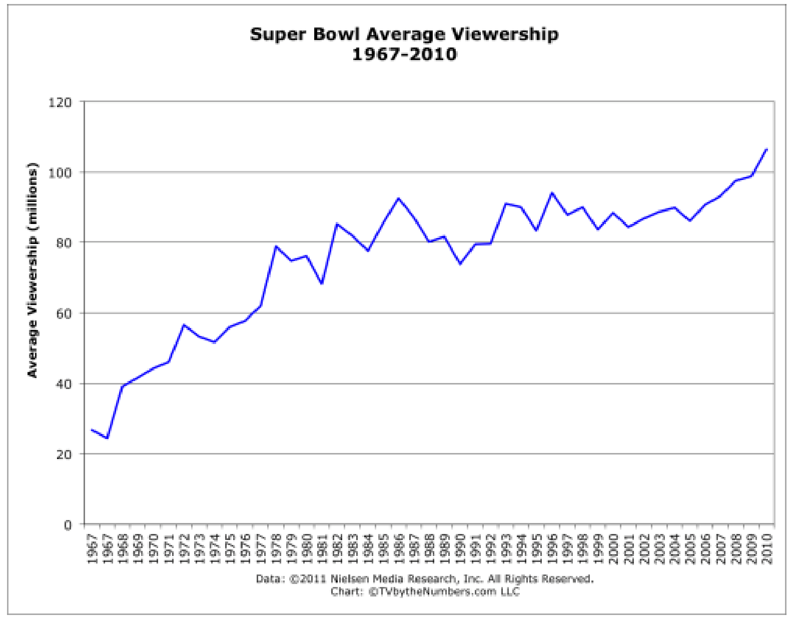
Below are the cost of a Super Bowl advertisement and the amount of viewers who tuned in to watch the game, by year:

<u>Year: Cost; Viewers (000)</u>
(Gormon, 2011); (Angelo, 2013)

2013: $3,800,000; 108,693
2012: $3,500,000; 111,346
2011: $3,100,000; 111,041
2010: $2,900,000; 106, 476
2009: $2,800,000; 98,732
2008: $2,700,000; 97,448
2007: $2,600,000; 93,184
2006: $2,500,000; 90,184
2005: $2,400,000; 45,081
2004: $2,300,000; 89,795
2003: $2,100,000; 88,637
2002: $1,900,000; 86,801
2001: $2,100,000; 84,335
2000: $2,200,000; 88,465
1999: $1,600,000; 83,720
1998: $1,300,000; 90,000
1997: $1,200,000; 87,870



1996: $1,085,000; 94,080
1995: $1,150,000; 83,420
1994: $900,000; 90,000
1993: $850,000; 90,990
1992: $850,000; 79,590
1991: $800,000; 79,510
1990: $700,000; 73,852
1989: $675,000; 81,590
1988: $645,000; 80,140
1987: $600,000; 87,190
1986: $550,000; 92,570
1985: $525,000; 85,530
1984: $368,000; 77,620
1983: $400,000; 81,770
1982: $324,000; 85,240
1981: $275,000; 68,290
1980: $222,000; 76,240
1979: $185,000; 74,740
1978: $162,000; 78,940
1977: $125,000; 62,050
1976: $110,000; 57,710
1975: $107,000; 56,050
1974: $103,000; 51,700
1973: $88,000; 53,320
1972: $86,000; 56,640
1971: $72,000; 46,040
1970: $78,000; 44,270
1968: $54,000; 39,120
1967: $42,000; 26,750
(Gormon, 2011); (Angelo, 2013).



The important point to take away from the numbers above is how quickly Super Bowl prices (and audiences) have risen over the years. A couple of years have been bolded. 1967 was the first ever Super Bowl. 1984 was the year Apple ran their advertisement – pay special attention to the spike in prices after that. 1995 was the first year ads cost over $1 million. 2000 was the first year a Super Bowl spot cost more than $2 million. In 2011, a Super Bowl spot cost over $3 million. Notice how the prices have progressively increased since 1967, with few exceptions, and that there is a trend of ad prices and audience increasing (Nielson, 2013).

Since 2006 advertising prices have almost doubled. “Advertising dollars follow the audience. As long as TV is what it is and the marketplace remains fragmented ... money will keep chasing it,” said Mr. Carr (Markowitz & Carter, 2013).

Chapter 4: A look at 2014’s audience

2014 saw record audience numbers

According to Nielson, a record 112.2 million people tuned in to watch the big pigskin thrown around in 2014 (Davis, 2014). It’s worth noting that, though Peyton Manning of the Denver Broncos would like to forget, 2014’s game was an absolute blowout. The Seahawks easily defeated the Broncos by a score of 43 – 8. The game was, as any true football fan can confirm, over by halftime. But that didn’t stop this large audience from watching the entire game, proving that Super Bowl Sunday is about so much more than the game. Fourth quarter ratings, a time when the Broncos were already down by a handful of touchdowns, were down only 5% (Davis, 2014).

Section 2: Who is buying?

A look at the companies buying spots in the big game.

Chapter 5: The big spenders

A look at the top 10 biggest spenders

The top 10 advertisers in the Super Bowl over the last decade, in order, are as follows (Poggi, 2013):

10. <u>Careerbuilder</u> (Lipman, 2012)

Total spending: (2002 - 2011): $36.8 million

Most known for: Chimp advertising

Advertising since: 2005

Note -- Stopped advertising: 2013 (CNBC, 2014)

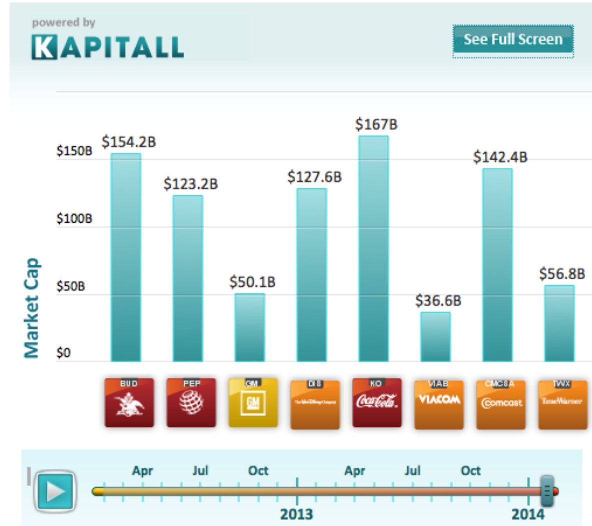
Quote: "The Super Bowl has been a good investment for us over the years. We decided to pursue other marketing opportunities this year, not only promoting the CareerBuilder brand, but also specific products and differentiators" (Lipman, 2012).

9. <u>Hyundai</u>

Ad spending: $38.8 million (Poggi, 2013)

Note – in 2011, bought 3 ad spots. Two were ranked the worst according to USA Today. The USA Today poll is addressed in section 3, ‘So you’ve decided to advertise.’

2014 Advertisement – “Tribute to Dads”



8. <u>Time Warner</u>

Ad spending: $39.8 million

Note: Use spots to advertise for movies like *Batman Begins* and *Austin Powers* (Poggi, 2013).

7. <u>Comcast</u>

Ad spending: $40.3 million

Note: NBC and CNBC parent company

Advertised in 7 of the last 10 Super Bowls (Poggi, 2013).

6. <u>Viacom</u>

Ad spending: $45.9 million

Note: Use ads for movie commercials like *Captain America* and *Transformers* (Poggi, 2013).

5. <u>Coca – Cola</u>

Ad spending: $66.8 million

Signature characters: Polar bears and Santa

Note: Most notable ad was 1980 “Mean Joe Green” spot (Poggi, 2013).

4. <u>Walt Disney</u>

Ad spending: $73.9 million

Note: advertise their movies during the game “when a third of America is watching.” Movies include *Pirates of the Caribbean* (Poggi, 2013).

3. <u>General Motors</u>

Ad spending: $82.8 million

Most notable recent ad: “Darth Vader” Volkswagen spot (Poggi, 2013).

2. PepsiCo

Ad spending: $174 million

Notes: spent more than double what Coca-Cola did. This includes snacks like Doritos. Pepsi sponsors this year’s half time show (Poggi, 2013).

1. Anheuser-Busch InBev

Ad spending: $239.1 million (Poggi, 2013).

Note: A majority of commercials are for Budweiser and Bud Light.

Chapter 6: The smaller companies

Big companies aren’t the only players in the big game.

Many smaller companies take a huge risk on Super Bowl Sunday. Though it’s a bigger investment than that of larger companies, many smaller companies view a Super Bowl spot as irresistible. Notable smaller companies who have put money into a Super Bowl spot include Hulu, GoDaddy, The Kaufmann Foundation, Oikos Yogurt and Priceline.com. Interestingly enough, Inc.com also points to the fact that Apple was not a large company at the time that it advertised in 1984(Steinberg, 2013).

These smaller companies have a higher risk and higher reward. Every year more than a handful of these smaller companies go for a Hail-Mary during the Super Bowl. An advertisement well received can put these companies on the map, like GoDaddy and Career Builder. But it can also put a company in jeopardy (Steinberg, 2013). For those who make little impression on viewers, companies are left depleted of advertising budgets and, for some, it may even be their demise.

Chapter 8: Meet the man who sells the ads
Seth Winter sees no end in sight to increases in Super Bowl costs

How much is a spot worth? Meet Seth Winter, SVP, Sales & Marketing NBC Sports sells the Super Bowl ads. He dictates how much a spot costs. Here's the interesting part: Winter is the first to admit he still doesn't know just how much a spot is worth.

Though spots generally increase $100,000 a year, Winter chose to increase the ad cost by 17% in 2011: "Much to the disdain of everyone… I said to hell with protocol, let's see what this is really worth" (Dubner, 2013).

"I felt that we are underestimating the value. The Super Bowl is not just an isolated 30/60 second spot in the game. It's a month long campaign around the game" (Dubner, 2013).

When asked what research Winter has to prove that the ad spots work, he responded that companies do a tremendous amount of research. They look at stock prices, sales after the Super Bowl, as well as Facebook and Twitter numbers.

Winter admits that the Super Bowl is “a property that we’ve never really understood the intrinsic value of. We’ve found… that it’s worth at least 3.5 M. I’ve gone on record to say I don’t know we’ve ever really tested the exact boundaries of what it’s worth…Social media has taken that value and grown exponentially the value to the advertiser” (Dubner, 2013).

Here lies the issue. Everyone knows a Super Bowl advertisement has value. What people don’t know, including the man selling the spots, is how much that value is.

Section 3: Are you in? It's a no brainer.
A million voices are telling you opposite viewpoints.
Let's look at the side for purchasing a spot.

Chapter 8: Background – where did everyone go?
Fragmentation further adds to the value of a Super Bowl spot.

This year's Super Bowl audience set a record for TV viewers. The audience tuning included more viewers than any World Series, NASCAR race, NBA Finals or even the Oscars (Moth, 2012). The big game is more popular than even the most popular season finales.

In 2007, 11.9 million people watched the *Sopranos* series finale. In 2004, 10.6 million people tuned in to watch the *Sex and the City* season finale. And USA's *Monk* and *The Closer* each roped upwards of 9 million viewers for their season finale (Wezerek, 2014). So the divide between these series finales and the Super Bowl is massive. In fact, the Super Bowl commands more than 10 times the audience of these series finales.

Here lies an important value of the of a Super Bowl spot – it unites a fragmented audience.

Audiences are more fragmented than ever before in history. There is no urgency to see live TV anymore. Millennials today have Hulu, Netflix, and DVR among countless other ways

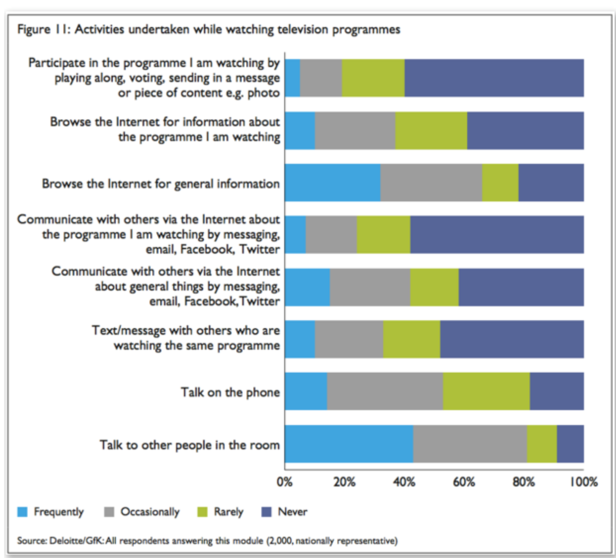


Figure 11: Activities undertaken while watching television programmes

Source: Deloitte/GfK: All respondents answering this module (2,000, nationally representative) (thanks in large part to Google) to watch television shows after they air. There is no need to watch shows as they air. For an advertiser to reach this audience takes tremendous precision and research. It takes strategy and a vast array of media.

No longer can an advertiser put a commercial on TV and know that a majority of the country will see it, though there was a time not so long ago when that possible.

MASH is the most all-time watched series finale. In 1983, 105.9 million people gathered around the television to watch (Kissell, 2013). In that year the US population was roughly 233 million people, so viewers amounted to 45% of the country. In 1993, 80.4 million people tuned in to watch the series final of *Cheers* (US population: 259.92 million) and in 1998, 76.3 million people tuned in to watch Kramer bust through the door just one more time for the *Seinfeld* season finale (US population: 275.85) (Kissell, 2013).

So not only were people tuning in, they were watching closely. They had no chance to watch these finales if they missed them.

Chapter 9: I'm watching, too

The addition of second screens and what that means

According to a survey conducted by Deloitte, today 24% of people use second screens while watching TV and almost

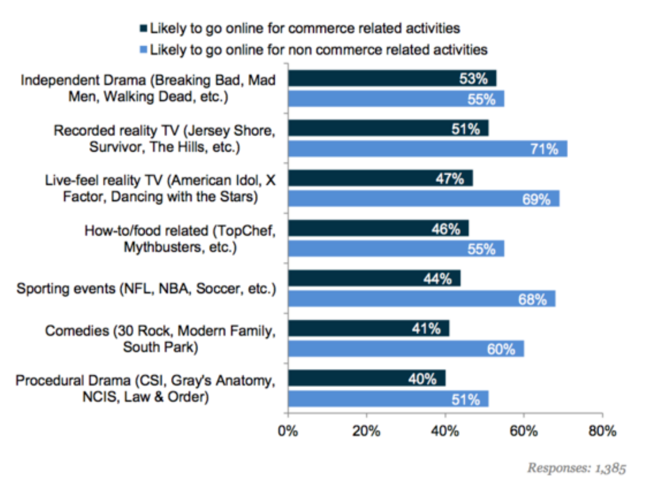


Figure 13: Multi-screen Behaviors by Type of TV Program

half of people aged 16-24 use social media and forms of communication to discuss what they are currently watching. Mashable defines a second screen as "the use of an additional monitor (e.g. tablet, smartphone) while watching television. It allows the audience to interact with what they're consuming whether it's a TV show, video game or movie" (Warren, 2013). In a poll of 2,000 people in the UK, 80% of respondents said they talk to others not in the room while watching a show. This statistic proves that a majority of people are talking and interacting with second-screens during these programs. This same report makes note that reality shows and sporting events create a particularly high amount of online activity (Moth, 2012).

What does all of this mean for the value of a Super Bowl spot? The days of reaching half of the country running a regular TV spot are gone. There is no dire need to watch live television anymore. And even if a company were able to reach some a wide audience, people are distracted. They have second screens. If someone misses a line in a show, they rewind or watch it again, a concept that was foreign just one generation ago.

The Super Bowl is different. It reaches records amounts of people. More than that, Super Bowl ads have a positive reputation so people are quieter during the advertisements than they are the game. Advertisers dream of opportunities like this one.

Unfortunately for them, networks understand how highly a spot like this is valued.

It's hard to question the tremendous value of a Super Bowl spot that brings together a fragmented audience. But even harder is trying to quantify just how much it is worth.

Chapter 10: Uniting a fragmented audience
A non-fragmented audience makes a Super Bowl spot worth that much more.

Must-see-TV has a different meaning than it used to. That comes with a changing of times, as well as an increase in both technology and channel options. As mentioned in the previous chapter, audiences are fragmented.

But the Super Bowl is anything but fragmented. Over 100 million viewers tune in for the game. In addition, because the game is a sporting event viewers don't record it; they watch it live. They also don't fast-forward through ads. In fact, they look forward to them (Poggi, 2014).

So to put an advertisement in the Super Bowl means the TV audience will see it. They may even rewind to show it again.

Chapter 11: The cost of other spots
Other spots are much cheaper. But the audiences are much smaller.

After understanding the value of uniting a fragmented audience, companies may want to know how much bang they are getting for their buck. Or, rather, four million bucks. Just to give some perspective, broadcasters charged over $1 million for the series finales of *Seinfeld* and *Everybody Loves Raymond*. A 30-second spot for the finale of *MASH* back in 1983 cost

$450,000. And, more recently, networks commanded $300,000 - $400,000 for the series finale of *Breaking Bad* (Poggi, 2013).

While these prices are far cheaper than Super Bowl advertisements, media planners should note that *Breaking Bad's* penultimate episode had an audience just shy of 7 million viewers (Moth, 2012). That is a mere fraction of the record-breaking Super Bowl audience, and without all the perks that come with a Super Bowl spot.

Chapter 12: The case of GoDaddy

One of the best Super Bowl success stories

GoDaddy is one of the greatest success stories of the Super Bowl. Remembered by fans as the raunchy ads that revealed provocative women saying and provocative things, the company knows Super Bowl ads put them on the map.

The company started with 900 servers. Today GoDaddy has over 36,000 servers and is building more. The founder of GoDaddy, Bob Parsons, is all for Super Bowl ads. "Nobody knew what GoDaddy.com was. Before the Super Bowl ad, our share worldwide was 16%. The week after the ad, our marketshare was 25%. By 2011, the company had over 50% marketshare worldwide… It might be over $100,000 per second but it's the best thing we do all year" (Dubner, 2013).

GoDaddy has further numbers to back its success. In 2013, the site featured Israeli supermodel Bar Rafaeli kissing a heavy set nerdy boy and, although the ad was ranked among the worst of the Super Bowl, it greatly increased sales for the site. In fact, the site increased by 10,000 customers the day after the game, a new record for the site. GoDaddy has said they will continue to advertise in the big game, not only for sales, but for what they describe as 'consideration' (Killoran, 2014).

Chapter 13: At $4 million a Super Bowl ad is a steal

An auction would likely prove that prices are a steal

Darren Rovel, a sports business reporter for CNBC, recommends an auction for the Super Bowl spots. He suggests that prices would skyrocket. He remarks that because sports have to be live, or 'unTivo-able,' that sports have a much higher value. None more than the Super Bowl. (Dubner, 2013).

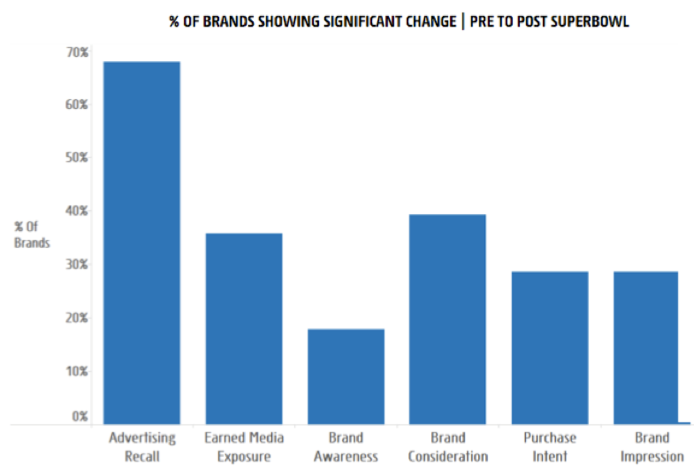
Rovel suggests that a third quarter ad may be auctioned off at $2 million. But an ad around kickoff may command upwards of $10 million (Dubner, 2013).

Further, Rovel says that for the first time in 11 years he (a sports analyst!) chose to watch the game from home so that he could comment on the game as well as the advertisements. It makes one wonder if the NFL will ever broadcast commercials in the stadium, perhaps on the jumbotron.

"People not only watch the Super Bowl for the game. They watch it for the commercials. If that's not an advertiser's dream, I don't know what is." said Parsons (Dubner, 2013).

Section 4: Are you out? That is a wise decision.
A million voices telling you opposite view-points.
Let's look at the side against it.

Chapter 14: What's the risk factor?
Numbers don't lie. And they repeatedly advise against Super Bowl spending.



How effective are Super Bowl spots? It depends who you ask. According to Bleacherreport, only 30% of ads increase a consumer's chances of purchasing a product (Kay, 2014). Increase in brand exposure and product purchase consideration occurs in 40% of the brands. This is a high risk for paying $133,000 a second (Kay, 2014).

So do you have faith that your ad will be one of the best? Xmedia estimates that over 30% of brands get lost in the crowded market of Super Bowl ads. Of the 70% that succeed, only half increase in Earned Media Exposure. And while entertainment and buzz are an added bonus for advertising, the intention of advertising is to produce sales (Kay, 2014).

There is often a large divide in a company's *Ace Score* (ad effectiveness and creative strength). Some companies achieve great creativity and produce few sales/ small brand awareness. For example, in 2013 Mercedes ads were acclaimed as creative but were highly ineffective. On the contrary, some companies like GoDaddy consistantly receive low grades in creativity but are highly effective (Beale, 2013).

The study by Xmedia concludes that the chances of being noticed in the Super Bowl are quite slim, and the chances of consumers acting on those impressions are even slimmer. While the study does not advise against Super Bowl ads, it does call attention to the risk. Xmedia also concludes that an advertiser must have more motivation to box out the competition (Kay, 2014).

A company planning to advertise in the Super Bowl must do everything to ensure that people not only enjoy their ads, but they remember the company and are motivated to purchase the product.

Finding that right combination is rare.

Chapter 15: Avoid the temptation. Super Bowl spots don’t work.
The numbers warn that you will be forgotten.

This year Ad Age produced a study which concluded that a majority of ads in the Super Bowl are ineffective. In fact, 80% of Super Bowl spots don’t help sales. The study surveyed 1,000 people on their shopping tendencies before and after watching the ads in 2012-2013 (Neff, 2014).

"The advertisers really dial up the entertainment quotient to pop to the top of the *USA Today* rankings and such," said CEO Jeri Smith. "But we find the brand association with Super Bowl commercials is much lower than you'd get with a typical buy, just because of the way the creative is structured." Because of this, people often remember ads and not brands (Neff, 2014).

So here lies an important insight: Advertisers often so get caught up trying to top the *USA Today* ad meter they forget to sell a product.

Tide ran an advertisement in 2013 about a "miracle stain" that was highly ineffective because it did not tell people anything that they didn't already know. And while a 60 second spot may be more intriguing to people, the audience gets sucked into the story and often forgets the brand.

Mercedes, on the other hand, did well in 2013 because they offered a new message. They will offer a more affordable car. Most automobile commercials, however, Smith explains, are ineffective because people group them all together. This offers a simple conclusion: advertise in the Super Bowl if you have something to say (Neff, 2014).

Chapter 16: Companies that advise you to hold on toyour money
Advice from the company graveyard.

In Super Bowl XXXIV, 8 companies advertised that you may not be familiar with. That is because they no longer exist. Pets.com, epidemic.com, lifeminders.com, ourbeggining.com, netpliance.com, e-stamp.com, E1040.com, and onmoney.com all advertised in the big game. None of the sites are still around today. Though there is much to learn from the quality of the ads – lack of creative, no true message – we learn a different message from these companies (Bennett, 2011).

The Super Bowl is a big risk, big reward game.

For some companies, the reward is that the Super Bowl can put them on the map. The risk, though, for a company small enough, is that $4 million spent ineffectively can wipe them from the map. Though the companies listed above were during the .com bust, a time when money was spent carelessly on '.com's,' we can still learn an important lesson that will later be applied. That is, if you advertise in the Super Bowl, you have to have enough insurance to fail. Don't read that wrong: plan to succeed, but prepared should you fail.

Some big-name companies have begun to hold onto their money. E*trade, Subway and Best Buy were all noticeably missing from this year's Super Bowl. While E*Trade claims they want to expand beyond their TV market, Subway's CMO Tony Pace told Ad Age, "You can make an argument that the total cumulative audience across the Winter Olympics is actually bigger than what you are going to get in the Super Bowl" (Bennet, 2011).

Chapter 17: Caveat emptor

Advertising doesn't necessarily drive sales.

Super Bowl ads are, unfortunately for advertisers, not like movie trailers. Whereas a good movie trailer will guarantee a high turnover of viewers who will go see the movie, a good advertisement in the Super Bowl often does not necessarily drive sales. Far from it.

George Parker, a long time creative consultant, has said that he believes there is absolutely no correlation between Super Bowl advertisements and sales.

"If someone were to do a truly analytical study of the Super Bowls of the last 20 years, I guarantee there would be no correlation between [the ads] and increases or declines in sales," Parker said (Neff, 2014).

Brad Kay, president of SS+K, wavers about Super Bowl spending, but cautions, "Marketers need to be sure that it's not an ego-driven decision but a really smart business decision." Kay goes on to say that some top execs who have advertised in the Super Bowl in the past, must continue to do so (Neff, 2014).

If they were to stop advertising in the big game and sales were to go down, it could cost a top exec their job (Neff, 2014). This means that the decision often stems from protecting oneself, rather than making an informed decision for the company.

Section 5: Time to ask again -- is advertising in the Super Bowl a wise decision?

The first answer is that we must reframe the question.

Chapter 18: The devil and angel on your shoulder

Recapping main points for and against a Super Bowl spot.

After looking at the points above, one thing becomes clear: there are valid points for advertising in the Super Bowl, as well as not advertising in the big game. So, doesn't that mean that there is no conclusion to the original research question?

The devil and angel on a company's shoulder could argue both sides, and both sides are correct. To recap, certain companies should advertise in the Super Bowl because the Super Bowl:

(1) overcomes fragmentation with a record-size audience.

(2) is a time when people look to watch the ads (the 'shh' factor).

(3) has the ability to put small companies, like GoDaddy, on the map

On the other hand, certain companies should avoid the Super Bowl at all costs (especially the $4 million cost). These points are highlighted by the fact that Super Bowl advertising:

(1) costs too much money and prices continue to rise.

(2) may put [even more] companies out of business.

(3) is statistically proven ineffective more often than effective.

So who is right?

Surprisingly, both sides are correct.

That means I was asking the wrong question all along. The research above is all valid, but it is answering a different question. This matter is not simply a yes or no question, though I (as well as most companies) wish it were that simple. Most articles address whether or not Super Bowl spending is a good idea, much like this thesis has attempted to do. The problem is that the issue is not that black and white. The question should not be an 'if' question, but rather:

(1) **For whom** is it worth it to advertise in the Super Bowl?

(2) **When** is it worth for these companies to advertise in the Super Bowl?

Given these questions, the conclusion of this paper will address the question of **how** can a company determine if it should advertise in the Super Bowl?

Beyond that, this paper addresses **what** makes an advertisement successful? Specifically, what would give a company the best chance to run a successful, creative 30-second spot based on past successes and failures?

Section 6: Introducing the CEO's Spending Guide

A way to guide companies to and away from Super Bowl spending, with confidence.

Chapter 19: How can a company determine if it should advertise in the Super Bowl?

Introducing the CEO's Guide to Super Bowl Spending

Using the research in this paper I, with much help from Professor Kevin O'Neill and Professor Beth Egan, have developed a guide to help a company decide whether or not they should invest in a Super Bowl spot.

It should be noted that the word *invest* is key here. I could not, with certainty, tell a company that its $4 million Super Bowl spot will be a success. Putting money into a Super Bowl ad is an investment. It has a high risk and a high reward.

The purpose of the guide is to help a company determine if it would be wise to invest, rather than if it will succeed. There is no guarantee because a company perfect for advertising may create an ineffective advertisement and find that their $4 million investment came up short. On the other side, a company who has no business advertising in the Super Bowl may create an ad that perfectly connects with consumers and find their investment paid off.

So the CEO's Guide serves as a stockbroker, so to speak. It advises companies who should and should not invest, but cannot guarantee success, in hopes to help lead companies to success.

Another note is the CEO's Guide is timeless. It takes into account the fact that Super Bowl costs will likely continue to rise for years to come.

Though certain numbers may need to be altered in future versions of the guide, a company should be able to use this guide for years to come. A company may find it a worthy investment to put money into a Super Bowl ad this year and not in 2020, when Seth Winter could command upwards of $10 million for a Super Bowl spot.

Chapter 20: An overview of the CEO's Guide
A look at the questions included in the guide.

The CEO'S guide includes five questions:

(4) How much is the company worth?
(5) How big is the company's advertising budget?
(6) How much awareness does the company currently have?
(4) Has the company advertised in the Super Bowl in the past? How many years?
(5) How many competitors are advertising in the big game?

Below is an explanation of how to answer each of the following questions, find a score to each question, and understand why it is these five questions that are the key to evaluating Super Bowl investing. In the next section is a formula to help take a company through the questions and come out with a yes or no answer as to whether that specific company should advertise at a specific time.

<u>(1) How much is the company worth?</u>

This is the most basic way to define a company's risk. The supplementary question here is: can your company afford to fail? If your company produces an advertisement for the Super Bowl that is either overlooked or even looked at negatively, can you company bounce back?

While your company should purchase champagne in anticipation of succeeding (why do something if you plan to fail?), a company must realize they may go unnoticed. Such a result happens in a crowded marketplace. Remember the statistics above state that a high percentage of ads do not succeed. Is you company like the .com's that planned to live and die by their Super Bowl ad? Or is your company Coca-Cola who would barely notice if $4 million went to waste?

Scoring:

Company is valued at less than $10 million – 1 point
Company is valued between $10 million – $25 million – 2 points
Company is valued between $25 – $50 million – 3 points
Company is valued between $50 - $75 million – 4 points
Company is valued between $75 – $100 million – 5 points
Company is valued between $100 million - $250 million – 6 points
Company is valued between $250 million - $1 billion – 7 points
Company is valued between $1 billion – $10 billion - 8 points
Company is valued between $10 billion - $100 billion – 9 points
Company is valued at >$100 billion – 10 points

The company ___________ is valued at ____________ - ____ points.

<u>(2) How big is the company's advertising budget?</u>

To measure this, determine what percentage of your advertising budget is going into a Super Bowl spot. To do this, simply use the formula: 4,000,000/ (your annual advertising budget) * 100. A company who uses their complete advertising budget on a Super Bowl spot would use the formula: (4,000,000/ 4,000,000) * 100 = 100%.

This is a follow-up to the first question. Instead of focusing on what happens if your advertisement fails, this question focuses on how you will supplement your Super Bowl spot. The most effective companies tend to invest upwards of a million dollars into producing the advertising spot (with notable exceptions such as Doritos who use fan submissions). But research shown above proves that a company must advertise leading up to the Super Bowl as well as afterwards. Companies who advertise using a majority of their advertising budget should do so with caution.

Scoring:

Company using >95% of advertising budget – 0 points
Company using 75% - 95% - 1 point
Company using 66% - 75% - 2 points
Company using 56% – 66% - 3 points
Company using 33% - 55% - 4 points
Company using 25% - 33% - 5 points
Company using 20% - 24% - 6 points
Company using 15% – 19% - 7 points
Company using 10% – 14% - 8 points
Company using 5% - 9% - 8 points
Company using 1% - 4% - 9 points
Company using <1% - 10 points

The company __________ would use ________ of their advertising budget - _____ points.

(3) How much awareness does your company currently have?

First, to define awareness I include two key factors: (i) domestic share of the market and (ii) relevance.

While domestic share of the market is objective, relevance is, for the time being, subjective. A company who is relevant but for bad reasons (BP after an oil spill, or Chobani after admission they use GMO's in yogurt) hinders the awareness level of a company and moves a company lower in terms of awareness level. Companies like this are looked at through a bad lens to begin with.

<u>Who would be high on this chart?</u> Best Buy and Nike (high market share and high positive awareness)

<u>Who would be in the middle of this chart?</u> RadioShack (fairly strong share of market but weak relevance)

<u>Who would be low on this chart?</u> GoGirl energy and Mary Kay Makeup (companies that you likely haven't heard of or think 'wow I haven't thought about that brand in ages')

This question evaluates the risk and reward of a company investing. The higher awareness a company has, the lower the upside but the safer the gamble. Therefore, the higher a company's awareness, the more the scoring will encourage a company to invest. Higher awareness often also includes a greater 'you've gotta watch this' factor. If you think about this practically, people have a tendency to quiet down for a Bud Light commercial because they are familiar with the brand. New companies, or companies with low awareness levels, have a mystic element to them but they require a more curious and active audience. The lower the awareness a company has, the higher the upside.

Also note that just because a company has been around for a long time does not mean it is high in awareness. In fact, many companies around for a long time will score mid-to-low on this chart because they are no longer relevant. Think about companies like Sears and RadioShack. It would be safe to say that most people have heard of these companies but have not for a long time, or have negative thoughts towards them as old and outdated.

In terms of four quadrants, where the y measures market share and the x measures awareness: The bottom left quadrant (low market share/ low or negative awareness) should be scored 1-3, the bottom right quadrant (low market share/ high positive awareness) should be scored a 6 - 7, the top left quadrant (high market share/ low positive awareness) should be scored 5 – 6, and the top right quadrant (high market share/ high positive awareness) should be ranked 8 - 10.

Score guidance (using shoe apparel brands as examples):

Company like Nike – 10 points (very high market share/ very high positive relevance)

Company like Under Armor – 7 points (medium to high market share/ very high positive relevance)

Adidas – 5 points (medium market share/ medium relevance)

Puma – 3 points (low market size/ low to medium relevance) (Powel, 2014).

The company __________ has _______ market share/ positive awareness - ____ points.

(4) Have you advertised in the Super Bowl in the past? How many years?

This should be a simple number for a company to determine. The advantage here goes to companies who have advertised in the past. Why? Because they have the ‘hush’ factor that companies like E*Trade (with the E*Trade baby) and Old Spice (with the Old Spice man) command. There is also already brand recognition with the ads. People recognize these figures and pay extra close attention to the ads while quieting everyone to watch.

The formula for this question also takes consecutive years into account. A company who has been in the Super Bowl the last 4 years is more recognizable than one who has been in the Super Bowl 4 years total, but not for the last two years.

Scoring:

To determine your company's number for this question, simply take the total number of Super Bowl appearances and subtract that amount of years it has been since your last advertised in a Super Bowl. To clarify, if you advertised in the last Super Bowl count that as 0 years missed. If you skipped one Super Bowl (the last Super Bowl), count that number as one.

So for example, a company who advertised in a total of 5 Super Bowls, but took off the year before, would have a score of (5 – 1 = 4) for this question. This gives an advanatage to a company who has been in the last five Super Bowls (5 – 0 = 5).

The company _________ has been in the Superbowl ________ years, the last of which was the year ________ - ____ points.

(5) How many competitors are advertising in the big game?

This question is last but potentially the most important. Advertising in a crowded marketplace is far more difficult than creating a new one. If you think in terms of size and space, a large ad standing alone would be far easier to remember than a tiny advertisement buried in Times Square.

Take the number of advertisements that your competitors are running. To measure this, count every 30 second advertisement as a unit of 1. So, if a beer commercial runs 60 second spot, count that as 2. Add up the total 'competition units' in your brand category. The categories, as designated by this report, are the following:

Beer, cars, electronics (phone, TV, stores…), websites (.com), Food/ drinks (including everything from snacks to restaurants), movie (most often in the form of previews), clothing (including shoe stores), Miscellaneous.

If your brand does not fall under any of the previous categories, place it under miscellaneous. Make a special note for any brands falling in the miscellaneous category. Count up any related advertisements and automatically subtract two from your score. This advantage is explained below. The lower the number, the better for this scoring as in a more crowded marketplace it is more likely your advertising message is to be lost or, even more dangerous, to be mis-attributed to another brand. Think about if Samsung created a brilliant advertisement but, because there were so many other electronics being advertised, people attributed it to Verizon.

If your product, on the other hand, cannot even be categorized it is likely a unique market and belongs under miscellaneous. When Oikos first advertised in the Super Bowl, it was easy to remember their brand because they were unique from everyone else. Even when there is competition in the miscellaneous group, there is still an advantage because this group stands out.

Beating competition to the Super Bowl market creates a huge edge for a brand.

Scoring:

There are >20 competitors (using unit system explained above) - 10 point
There are 10 – 20 competition units – 9 points
The are 9 competition units – 8 points
The are 8 competition units – 7 points
The are 7 competition units – 6 points
The are 6 competition units – 5 points
The are 5 competition units – 4 points
The are 4 competition units – 3 points
The are 3 competition units – 2 points
The are 2 or fewer competition units – 1 point

The company _________ has ________ competition units - _______ points.

Chapter 21: Scoring your answers
Using the scores above, measure if a company should advertise in the Super Bowl

Take all of the scores from above and plug them into the following formula:

((Question 1 points * .30) + (Question 2 points * .15) + (Question 3 points * .15) + (Question 4 points * .15) – (Question 5 points * .25)) * 100 = CEO's Raw Score

What does your score mean? According to the OSE scoring system, if you scored:

90 - 100 = No brainer (again, no guarantee but close)
75 – 90 = Strongly advise investing in a Super Bowl spot
50 – 75 = Advise investing Super Bowl spot, but there is fair amount of risk

25 – 50 = Would not recommend buying a Super Bowl spot
10 – 25 = Strongly advise against buying a Super Bowl spot
0 - 10 = Hold on to your money (Does not look like a good investment)

Chapter 22: Understanding your score

Why your raw score is high/ low

Now that you've received advice about whether or not to invest in a Super Bowl spot, you should understand what the numbers mean. As companies go through the guide, they have made note of section's scores.

To score 100, or close to 100, means that a massive relevant company with a massive adverting budget has the chance to advertise in the Super Bowl again with little competition.

To score a 0, or close to it, means that a small irrelevant company with a small advertising budget is going into a crowded market place. Think of this company as putting a tiny advertisement in Times Square for a day.

More than likely, it is the companies that fall in the middle who want to better understand their scores. To understand the reserve for purchasing an ad spot, a company must look at where they lost points (or scored a low amount of points – with the exception of competition points). Notice that being a very small company hurts a lot more than not having advertised in past years. This is because it would be dangerous for a very small company to advertise, whereas it would simply help (potentially greatly help) a company to have advertised in years past, or to be highly relevant. A company who is 'irrelevant' or low in the marketplace may note that if this is where they lost point, there is greater upside to advertising in the Super Bowl, but it puts more pressure on the creative and execution.

The higher the raw score, the more the CEO's Guide recommends that you advertise in the Super Bowl. Don't forget that advertising, even with a 100, is an investment. Positive results can not be guaranteed in the Super Bowl. The scale is also highly logical. That is, by putting in larger companies with less competition, the chances of having a successful Super Bowl spot increase. However, to have a mid-size company with low awareness may be the perfect type of company to take a gamble on. That is why the formula is not yet perfect. The next version (*The CEO's Guide 2.0* is already in the works) will have more of a human-element to it.

Section 7: So you've decided to advertise

What an advertiser should tell you before you invest in the big game

Chapter 23: CEO's dig the creative

USA Today Ad Meter is deceptive

What the advertiser should tell you: "We likely won't score in the top 5 of the ad meter, and that is a good thing."

Every year *USA Today* publishes an ad meter ranking the best and worst commercials in the Super Bowl. The meter measure responses from a focus group who rank the commercials as they watch them. Looking at companies who rank well in the polls, then at whether or not they advertised again in the following Super Bowl, could provide some key insights about how much companies value creative. To be clear, the poll is only one of many opinions about Super Bowl spots, but it has become one of the most popular polls, as it as been used for over 25 years.

When looking at the spots, I hypothesize that a majority of companies who rank in the top 5 will advertise again in the following Super Bowl, while a majority of those who rank in the bottom 5 will not be back in the following Super Bowl. If the hypothesis stands true, it would prove that companies place a high amount of stock in how their commercial is viewed creatively by consumers, rather than sales that follow.

Earlier in the paper it was proven that ads don't necessarily need to be creative to be effective and in fact, if overdone, a commercial may lose value if it focuses too much on creativity/ humor and not enough on storytelling/ branding.

Note: I have decided to omit two brands, Anheuser Busch (who owns Bud Light) and Pepsico (current sponsors of the halftime show). They regularly appear on the top 5 list (and occasionally on the bottom as well). Though the two are huge corporations and are staples of the Super Bowl. So if Anheuser is the 3rd best ad, and Pepsico is the 4th, I will continue on to look at the 5th and 6th. I have also omitted any companies who are repeated on top 5 best or worst ads.

<u>2010 top 5</u> (best ad to fifth best, left to right): Mars snickers, Doritos, Coca Cola, Audi, E-trade (Steinberg, 2010).

Omitted: Bud light (3rd), Anheuser Busch (4th)

<u>2010 bottom 5 ads</u> (from worst ad to fifth worst, left to right): Sketchers, GoDaddy.com, Scotts, Hyundai, Dockers (7th) (Steinberg, 2010).

<u>Omitted:</u> Select 55 (5th worst – owned by Anheuser Busch), GoDaddy (6th – repeated)

<u>Did all the top 5 all advertise the following year in the Super Bowl?</u> Yes (Jones, 2011).

Did all the bottom advertise the following year? No. Scotts and Dockers did not (Jones, 2011).

<u>2011 top 5:</u> Doritos, Volkswagen, Careerbuilder, NFL, Bridgestone (Steinberg, 2011).

Omitted: Bud Light (tied 1st), Doritos (4th – repeated), Pepsi Max (5th), Pepsi (7th)

2011 bottom 5: Hyundai, GoDaddy.com, Mini Cooper, Stella Artois, BMW (Steinberg, 2011).

Omitted: Hyundai – repeated

Did the top 5 all advertise the following year in the Super Bowl? No. NFL did not (Jones, 2012).

Did the bottom advertise the following year? No. Stella, Mini Cooper, BMW did not (Jones, 2012).

2012 top 5: Doritos, Kia, Chrysler, M&Ms, Volkswagon (Steinberg, 2012).

Omitted – Bud Light (2nd), Doritos (6th)

2012 bottom 5: GoDaddy.com, Lexus, Disney, Cadillac, Cars.com (Steinberg, 2012).

Omitted – Bud Light Platinum (2nd), Bud Light Platinum (5th)

Did the top 5 all advertise the following year in the Super Bowl? Yes (Lepore, 2014).

Did the bottom advertise the following year? No. Lexus and Cadillac did not (Lepore, 2014).

2013 top 5: Tide, RAM, Doritos, Jeep, Kia (Steinberg, 2013).

Omitted – Anheuser Busch (1st)

2013 bottom 5: GoDaddy.com, Calvin Klein, Subway, Lincoln, Axe (Steinberg, 2013).

Omitted – Anheuser Busch (2nd, 3rd, 4th)

Did the top 5 all advertise the following year in the Super Bowl? No. Tide and RAM did not (Ad Meter, 2014).

Did the bottom advertise the following year? No. Calvin Klein and Lincoln did not (Ad Meter, 2014).

2014 top 5: Doritos, Radio Shack, Hyundai, General Mills Cheerios, Microsoft (Ad Meter, 2014).

2014 bottom 5: Subway, Sprint, GoDaddy, Dreamworks, Squarespace (Ad Meter, 2014).

Whether or not these companies advertise next year is yet to be seen.

Conclusion based on numbers: From 2010 – 2014, almost half of the ads that ranked in the bottom 5 of the Ad Meter decided to not advertise in the Superbowl the following year. That contrasts with less than 15% of companies who ranked in the top 5 of the Ad Meter deciding to not advertise the following year in the Super Bowl. This small sample proves the importance many companies put in the Ad Meter when, in reality, the Ad Meter is not proven to lead to sales.

Chapter 24: How the Ad Meter ruined Super Bowl advertising

Following the 1984 ad, people began to view Super Bowl advertising as entertainment. Somewhere along the way, though, companies pivoted from mini-movies like the 1984 commercial, to cheap laughs and entertainment.

But that is not the purpose of an advertisement. Rather, these methods are done for the *USA Today* Ad Meter.

The Meter was introduced in 1989. Ever since, these people on the panel essential decide who won and lost the Super Bowl – for advertisers, that is (Learmonth, 2012).

"That's the way it was, 100%. I can't tell you how many times an advertiser has told me, 'You've gotta hit the top 10, you've gotta hit the top 10, you've gotta hit the top 10,'" said Bryan Buckley, director of 42 Super Bowl ads over the past two decades (Learmonth, 2012).

Because reactions to the meter are immediate, advertisers are playing in to this. People like chimpanzees smoking cigars, and cute animals with sweet background music. But is this advertising effective?

In 2007, CareerBuilder put their account up for review because Cramer-Krasselt's ad for them did not crack the top-10 in the ad meter. Cramer-Krasselt, who had attempted to get rid of the chimpanzees in lieu of a more sophisticated spot, was frustrated and resigned the account.

Nowadays the importance of the Meter is waning because we have social media and other new ways (like Ace Metrix, mentioned earlier) to judge an ad's success. The Meter is still, much to dismay of many advertisers, seen as the elite measurement.

"We've had spots that have performed poorly on the Ad Meter but have done stunningly in the other metrics we look at," said Mr. Keogh.

"We've had spots that have done very well and performed at par. It's one thing to track, but we've moved beyond that" (Learmonth, 2012).

Chrysler's "Importer From Detroit," spot is one such example. The ad is considered by many to be the closest thing to Apple's 1984 ad. A sophisticated short movie that was even singled out by the President of the United States.

The spot came in 43rd on the Ad Meter.

"If you're No. 32 on the Ad Meter," CCO Rob Schwartz says, "better put our résumés together" (Learmonth, 2012).

This research validates the numbers above. Much importance is placed on the Ad Meter. While it should not be overlooked, companies need to expand their horizons and understand that placing well in the Ad Meter is not everything. In fact, it could even be a bad thing.

Chapter 25: A look at how to succeed with creative

What the advertiser should tell you: "This year our advertisement is going to be less funny."

A CEO of an advertising analytics company says that a Super Bowl advertisement is worth it but only under the right conditions. More and more, advertisers are learning the dos and don'ts of what to put in a Super Bowl ad. Or, at least those who succeed are. Marketers are doing a better job calculating risks. An ad can't be exclusively funny, or it lacks a message. An advertisement can't be all message, or it lacks engagements or a 'hush, the commercials are on!' factor that drives the Super Bowl. A commercial must find a balance. It appears that commercials are losing some of their humor in lieu of getting a message out to audiences (Daboll, 2014).

Further, advertisers are learning to take a 'sappy' spot and make it

Most Effective Ads of Super Bowl 2014

Rank	Brand	Ad Title	Ace Score
1	Microsoft	"Empowering"	710
2	Budweiser	"Puppy Love"	681
2	Hyundai	"Dad's Sixth Sense"	681
4	Radio Shack	"Goodbye '80s"	677
5	Budweiser	"Hero's Welcome"	675
6	Doritos	"Cowboy Kid"	640
7	Heinz	"Happy and You Know It"	628
8	M&Ms	"Delivery"	627
9	Toyota	"Joy Ride"	625
10	Jaguar	"Rendezvous"	623

Least Effective Ads of Super Bowl 2014

Rank	Brand	Ad Title	Ace Score
1	Axe	"Peace"	521
2	Wonderful Pistachios	"Stephen Colbert Part 1"	516
3	Maserati	"Fire"	508
4	Bud Light	"Epic Night Continued"	499
5	Squarespace	"A Better Web Awaits"	493
6	Carmax	"Slow Clap"	493
7	GoDaddy	"I Quit"	492
8	GoldieBlox	"Bring the Toys"	473
9	Bud Light	"Epic Night"	472
10	GoDaddy	"Bodybuilder"	432

more of an inspirational one. Turn controversy into clever controversy worth discussing. And be creatively diverse to stand out. 2014 saw everything from stories being told, to Terry Crew interacting with a car full of Muppets.

Forbes took a look at 2014's most and least successful Super Bowl spots. This was done by using an algorithm that includes over 500 consumer responses. The chart (seen above) declares Microsoft at the most effective ad, with an ACE score of 720 out of 900, while GoDaddy's "BodyBuilder" spot scored a mere 432 (Daboll, 2014). So what made these ads so successful? To better understand that question, we must look at what the ads have in common.

25% of ads dealt with America, patriotism and war heroes. The ad that broke 700, Microsoft, went with inspirational stories and how their products helped the people who were featured. These ads leaned heavily on storytelling, something far more common in Super Bowl ads than it used to be. But what happened to the funny?

Two third of ads, on average, attempt to be funny during the Super Bowl. ATTEMPT. According to Forbes' Funny Index, commercials this year were far less funny. But this may not be from a lack of success, but rather a new strategy by companies to combine humor and storytelling. Those who strictly go for humor have strayed from silly entertainment and have tried to better show their product benefits (Daboll, 2014).

A majority of ads in the Super Bowl will feature celebrities. It's important to note, however, that this is not a good indication of whether or not an advertisement will be a success. Many of the best and worst ads feature one or more big name celebrities. This makes it clear that the story line and way with which a celebrity is utilized affects a Super Bowl spot more than who the celebrity is.

Chapter 26: Maximizing modern day spots

What the advertiser should tell you: “We need to advertise our future advertisement.”

With the rapidly changing times, advertisers must adjust.

Advertisers have begun to find ways to maximize the bang for their buck. They release ads early. They play them after the Super Bowl. Promos are released. Companies tweet during the game and even engage in twitter battles. To measure success in the digital sphere is tough (with the exception of certain instances, like the Oreo tweet heard round the internet). It is becoming evident that digital additions to a Super Bowl advertisement only amplify a campaign (Krashinsky, 2013).

Certain campaigns have begun to use their 30-second spot as a mere conversation starter. Others have campaigns leading up to the Super Bowl. Pepsi owned the 2014 half-time show. Leading up to it, they asked fans to submit photos for a campaign that would ‘welcome Beyoncé on stage.’ The goal was to receive 1,000 submission. Pepsi received over 100,000. According to Pepsi’s director of marketing, Eric Fuller, “We’re looking to build real value. ... It was really, how do we get a lot of longevity out of the campaign?” (Krashinsky, 2013).

Chapter 27: More on successful ads

What the advertiser should tell you: “Our goal is not to make people laugh, but rather to inspire.”

Ace Metrix (referenced above) showed that 2014 saw the most effective ads since the measurement began in 2010. Peter Daboll, CEO of ACE Metrix explained, “Super Bowl advertisers seized the opportunity to inspire rather than divide this year. Many of the advertisers were smarter about their creative approach and rewarded the enormous, demographically balanced audience that is the Super Bowl. The best ads employed a range of creative strategies delivering ads that inspired, applauded and celebrated America” (Marketing Charts, 2014).

Section 8: The future of Super Bowl advertising

One company thought different and Super Bowl was never the same.

Chapter 28: Conclusion

It's time to think differently. Again.

In 1984 Apple thought differently. 30 years later, it's time to think differently again. This time, about Super Bowl spending.

While a web search of 'Super Bowl Advertising' will return countless pages of articles that either say the purchase is a no-brainer or an idiotic-egotistical move, this thesis proves that we must reframe what we are asking.

The CEO's guide, created and outlined in this paper, includes five questions:

(1) How much is the company worth?
(2) How big is the company's advertising budget?
(3) How much awareness does the company currently have?
(4) Has the company advertised in the Super Bowl in the past? How many years?
(5) How many brand competitors are advertising in the big game?

By using the CEO's Guide to Super Bowl Spending, a company can feel more comfortable about whether or not they should invest in a spot. The guide takes into account the unique properties of all different types of potential advertisers. Using this guide, advertisers can measure how risky an investment a Super Bowl purchase would be.

After all, we've seen that the spot had immense value. But how much is too much? Seth Winter will continue to push the boundaries of ad spending.

Using the CEO’s Guide, companies can know when is a good time to invest in a spot, and when they should hold on to their money.

30 years ago, Steve Jobs took a risk. He invested a large portion of Apple’s budget into a Super Bowl advertisement. He thought differently.

Now, 30 years later it’s again time for companies to think different.

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