

Are Advertisers Flushing \$3.5 Million Down the Superbowl?

First, let us say that “Superbowl” is a registered trademark of the NFL and any rebroadcast, retransmission, or account of this game, or whitepaper for that matter, without the express written consent of the NFL, is strictly prohibited. That being said, we think we can say “Superbowl” and not have to say “the Big Game” or “the Football Championship Game” without the NFL coming after us. After all, we’re not going to retransmit a game, just some talk about famous commercials from it, reveal some lesser-known facts about some of the ads and ask you, our readers, “are advertisers flushing \$3.5 million down the Superbowl?”

A commercial during the first Superbowl cost around \$40,000. Two decades later, following Apple’s groundbreaking “1984” commercial, ad prices began skyrocketing, and by 1987, reached \$600,000. In 2008, one 30-second spot came in at around \$2.5 million.

So, how much would you pay for what Nielsen promises is more than 95 million viewers? This year, advertisers bought 30 seconds at a cost of about \$3.5 million each. The price took a big jump over last year’s \$3 million, and this year’s figure represents a 59% increase since 2001, a year in which 30-second commercials ran about \$2.2 million. This year’s advertisers include GM, Volkswagen, Dannon Yogurt, Teleflora, M&M, Pepsi, Coke and of course, Anheuser-Busch InBev.

Stephen Master, vice president of Nielsen Sports media research stated, “close to 50% of viewers tune in to actually watch the commercials, more than they watch the game. The level of engagement for those people who choose to advertise is obviously very high.”

Being advertisers ourselves, we all still bow down to Apple’s “1984” - the highest rated Super Bowl ad in terms of impact of the advertising. This commercial was rated the number one television ad, period, of all time by TV Guide in a 1999 exploration of the top commercials. It was also rated the number one Super Bowl ad (ads that debut during the Super Bowl) of all time by both readers and experts on ESPN.com. Rough estimates suggest that this commercial has created 50-60 times more value in free publicity than it did from the paid spots that it ran. This publicity has come in the form of media play (definitely an added value when buying a Super Bowl spot), college classes using the commercial as an educational tool, and web sites using it on “Best of” lists.

So, that begs the question, is the ad alone worth it or do you have to have the hoo-haw that comes along with it? The first ads that aired during the Superbowl did so at a cost of around \$.001 per viewer. In 2011, that number was closer to \$.025 - a 2500% increase. So if the CPM is down, advertisers must extend the reach right? That’s the buzz these days - brand extension (besides “social media” of course - fyi, all future white papers must use the term “social

(Continued on next page)

media” at least once to have any SEO value whatsoever). Just look at what BBDO is doing with Ms. Brown - the second female in the M&M’s cast, after Ms. Green.

Starting with a teaser campaign, Ms. Brown arrived in social media, taking over the M&M’s fan page on Facebook, at facebook.com/mms, and sending messages on Twitter, where the character has her own account with the handle @mmsbrown.

Also included in the campaign are print, online and mobile ads as well as a deal to incorporate Ms. Brown into the radio program “Elvis Duran and the Morning Show,” syndicated by the Premiere Networks unit of Clear Channel Communications. Other elements include events in Los Angeles and New York, displays in stores, radio commercials and appearances for Ms. Brown during episodes of the new season of “The Celebrity Apprentice” on NBC. Now, that’s brand extension.

We firmly believe sharing is caring and it is also another way to have brand reach with a Superbowl ad. The funnier the better and our friends at AdFreak were gracious enough to supply us with The 20 Most-Shared Super Bowl Spots of All Time (<http://twitthis.com/gj7xq7>). Thanks, AdFreak - you’re so damn freaky.

Now, for some Fun Facts:

Price

In 1967 a 30-second Super Bowl ad cost \$37,500. That Super Bowl was viewed by 24,430,000 people, which equates to a cost of a little more than a tenth of a cent per viewer. In 2008, a 30-second Super Bowl ad cost \$2.7 million, and 97,448,000 tuned in for the game. That’s about 2 1/2 cents per viewer.

Cost Trends

The cost of a 30-second Super Bowl commercial increased from \$37,500 in 1967 to \$900,000 in 1994. That was an increase of 2,300 percent in those 27 years, an average of a little more than 80 percent per year. The cost for an ad in 2009 was \$3 million, which represents an increase of 233 percent since 1994, an average of 15 percent per year.

Ratings

The 1982 game between San Francisco and Cincinnati had the highest Super Bowl ratings of all time. The Nielsen rating was 49.1. The cost of a 30-second Super Bowl ad that year was \$324,300.

Dipping Costs

There have been three years when the cost to purchase a 30-second ad dropped from the previous year. The first year it happened was 1971, when the \$78,500 cost was \$6,000 less than in 1970. The most recent drop came in 2007, when the \$2.4 million price tag was \$100,000 less than in 2006.

Shortest Commercial

The shortest-ever Super Bowl commercial ran in 2009. It lasted one second. Miller High Life purchased the commercial, which was so short that the beer company was not able to fit its entire name in the allotted time.

(Continued on next page)

Notable commercials (thanks Wiki – we’re with ya in your “struggle” against oppression)

1973 – The first famous Super Bowl commercial was for Noxzema featuring legendary New York Jets quarterback Joe Namath.

1973 – Master Lock ran the first of their long-running advertisements showing a sharpshooter shooting at and hitting a Master Lock in a failed attempt to open the lock.

1977 – Xerox introduced the 9200 high-speed duplicator system with Brother Dominic duplicating documents in a medieval monastery.

1980 – A spot for Coca-Cola featuring Pittsburgh Steelers All-Pro defensive lineman “Mean Joe” Greene, who is offered a Coca-Cola by a young fan and tosses the kid his game-worn jersey as repayment. However, it is technically not viewed as a Super Bowl ad since it actually debuted on October 1, 1979, not during the day of the game.[8][9]

1984 – Perhaps the most famous Super Bowl ad ever, the ad for Apple’s Macintosh followed a 1984 theme. Directed by Ridley Scott, the ad featured a woman wearing track-and-field clothing sprinting into a large auditorium and hurling a large hammer into a screen right before security guards can subdue her. On the screen was a large Big Brother-type of face speaking to a massive assembly of drone-like people. His last words were “We shall prevail,” before the screen explodes and leaves the audience enraptured in gazing at the spectacle. The ad ran just one more time on television, perhaps compounding its renown.

1985 – Generally considered unsuccessful, the Apple “lemmings” ad is shown featuring many PC users walking to their doom over a cliff.

1990 – Ridley Scott directed an ad for the Nissan 300ZX Twin Turbo. The ad depicts a dream sequence with the driver in a Twin Turbo 300ZX, competing against an unknown enemy. First the 300ZX races a motorbike, then a race-car, and finally a jet fighter plane. At that point the plane is about to catch up to the 300ZX before the two turbochargers of the 300ZX “kick in”, greatly increasing engine power and the car accelerates away from the plane. The ad was only run once due to complaints that it promoted street racing.

1993 – And perhaps his most famous ad, Michael Jordan and Larry Bird play a game of HORSE for a McDonald’s Big Mac and French fries. The game is made more interesting due to the increasingly complex set of obstacles set for both players. Another Michael Jordan ad featured him and Bugs Bunny playing basketball against Marvin the Martian. This commercial inspired Warner Brothers to create Space Jam.

1995 – Nissan again ran a commercial for the 300ZX (which they advertised in 1990). The ad featured the car as a toy driven by a G.I. Joe picking up a Barbie-like doll. Despite being a popular advertisement, Mattel successfully sued Nissan to take the ad off TV.

2000 – Year of the dot com commercials.

2002 – Budweiser produced a commercial featuring the Budweiser Clydesdales (titled “Clydesdale Respect”) as a tribute to the terrorist attacks of 9/11. The commercial shows the horses walking across the Brooklyn bridge into New York City. They then stopped, gazed at the ruined New York skyline, and bowed in reverence and respect. The commercial aired only once, but was available on the website for a period of one year.

(Continued on next page)

2009 – Joe and Dave Herbert from Batesville, Indiana create a Doritos commercial where one employee makes a wish come true by throwing a snow globe against a vending machine glass and breaking it (which was done in one take), and another worker using the same snow globe to hit his boss in the “family jewels”. The ad earned a US \$1 million payday as the number one ranked ad in the annual USA Today Super Bowl Ad Meter survey from Doritos’ owners, Frito-Lay as part of their annual “Crash The Super Bowl” contest.

2009 – Pittsburgh Steelers safety Troy Polamalu is involved in a spoof of the 1980 Coca-Cola ad where a kid tries to give him his Coke Zero, but the two Coke brand executives which usually appear in Coke Zero ads and overzealously defend their brand suddenly appear and take the bottle. Polamalu tackles one of them, drinks the Coke Zero, then rips their shirt off and tosses it to the kid.

2010 – In an ad for Snickers candy bars, Abe Vigoda playing an old man with little energy is said to be “playing football like Betty White,” with the 88-year-old actress subsequently tackled for comedic effect.

2010 – A nationwide controversy surrounded Tim Tebow’s decision to appear in an ad funded by the socially conservative organization Focus on the Family that was broadcast during Super Bowl XLIV on CBS. There were two 30-second commercials, which included Tebow’s personal story as part of an overall pro-life stance. The abortion issue was not specifically mentioned in the ad. Pro-choice groups condemned the ad, while pro-life groups rallied around Tebow.

2011 – Chrysler created an ad featuring shots of the once great industrial city of Detroit, cutting to the visuals of rapper Eminem driving the Chrysler 200 about the city while his song “Lose Yourself” plays in the background. The commercial pauses just enough for the MC to enter downtown Detroit’s famous Fox Theater and face the camera to utter the line “this is the Motor City and this is what we do.” At 2 minutes, this is the longest advertisement in Super Bowl history.

One of the most famous Super Bowl ad campaigns has been the “I’m Going to Disney World!” ads for the past 20 years.

Bud Bowl

“You keep your hands off my momma, and you keep your hands off my Doritos!”

So, our advice to you...don’t drink a lot of fluids – ok do, but have a DVR and some understanding friends to catch all the commercials during this year’s game and each time you scratch your head and say “what the heck was that?” extend the brand reach along with us and say to yourself, “there goes another \$3.5 million dollars down the Superbowl.”