

Analysis of TV Commercials in the Super Bowl Games : Advertising Activities of the Global Enterprises beyond the Pandemics

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Abstract

The Super Bowl, an American football game broadcast in the United States every February, features the world's most expensive TV commercials. Its price exceeds \$6M in 30 seconds, but global companies cannot ignore its publicity effect. Considering that there are more than 100 million viewers, people think the expense is not high. We discuss the value and influence of the Super Bowl TV commercials affected by the COVID-19 pandemic, focusing on the games broadcasted in four years between 2019 and 2022. Taking up the many advertisements of the automobile manufacturing industry showing their presence in the Super Bowl game, we examine the significance of the harmony with the social situation and the viewership of the advertisements. Finally, we propose what kind of commercials should be conceived to continue to generate brand loyalty and how Super Bowl advertising should be in the future.

Key Words

The Super Bowl, TV commercials, cost of advertisements, pandemics of COVID-19, Toyota's CMs, brand loyalty

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1. Introduction

The NFL's annual championship game, which is called the "Super Bowl," is contested between the winning teams of the two NFL conferences, the American Football Conference (AFC) and the National Football Conference (NFC). It began in 1967 and has a history of more than a half-century. These years, the Super Bowl takes place on any Sunday in early to mid-February and is one of the highest-rated live shows on national television. (Sutelan, 2022)

The Rams vs. Bengals game held in Inglewood, Los Angeles, on February 13, 2022, counted the 56th,

and more than a hundred million viewers were glued in front of the TV, even if they were not American football fans. As NBC Sports (2022) reports, “Rams-Bengals is the most-watched show in 5 years.”¹⁾

With a large audience, the Super Bowl is one of the best chances of exposure for a TV ad, and the so-called “Super Bowl Ads” are considered the most expensive on US television. (McAllister, 2009 and Marketing Charts, 2022) Therefore, advertisers put all their wits into it and plan commercials that are as fun as a football game. It is no exaggeration to say they are a microcosm of the power of American companies and are considered the best for understanding global business trends. (The Hustle, 2022)

This research note investigates “Super Bowl Ads” that aired between 2019 and 2022 through and beyond the pandemics of COVID-19 and sees how “Super Bowl Ads” are effective in analyzing the future trend of the advertising activities of the global market.

2. Background

The author was in charge of the elective course “Advertising and Marketing Communications” at the Faculty of Global Management, Chuo University, from 2021 to 2022. The theme of “Super Bowl Advertising” is the one that excites students the most, and it allows them to learn more about the meaning of advertising activities. Of course, most students are not interested in American football and do not know the rules or the star players. But for those aspiring to do business globally, especially in a workplace with American colleagues and clients, the topic of “Super Bowl Ads” can be essential.

The fact that the Super Bowl games are held in February also helps attract public attention. Americans enjoy Thanksgiving in November, the holiday season in December, and the New Year in January; February is kind of disappointing to find that nothing but credit card bills arrive. When the Super Bowl is broadcast, you can invite your family and friends to your home for a watch party, or you can enjoy the excitement of the Super Bowl in the SNS community. Kosowski (2016) shows data from a questionnaire asking “What is the most important part of Super Bowl?” in the US. Unsurprisingly, 45% answered, “the game is the most important.” The Super Bowl games are known, too, to have gorgeous half-time shows with the appearance of the world’s top artists, so 10% of people think the shows are the most important. However, it is interesting that they think that 15.7% of people said getting together with friends and that food and drinks are essential for enjoying the game. We also need to focus on the fact that 23% of the respondents said, “commercials are the most important,” which indicates that nearly 1 in 4 Super Bowl fans watch the program to enjoy the TV commercials.

The total number of the viewing audience was estimated at more than two million, as NFL (2022) officially reported, “On Feb. 15, it was reported Super Bowl LVI averaged an audience of 112.3 million, including 101.1 million television viewers and another 11.2 million streamers.”²⁾ It means millions of people sat in front of the TV for a couple of hours with advertisements as one of the centerpieces.

1) The New York Times (February 15, 2022) analyzes that the viewers were thrilled as the Los Angeles Rams beat the Cincinnati Bengals 23-20 at their home stadium in Los Angeles. Additionally, the halftime show featured stars such as Dr. Dre, Snoop Dogg, Eminem, Mary J. Blige and Kendrick Lamar. As it was the first show to emphasize hip-hop music, it attracted a larger audience than the previous year.

2) According to Nielsen (2022), “this data includes out-of-home (OOH) viewing and Digital in TV Ratings (DTRV) contributions.”

Table 1 : By the numbers of the Super Bowl Ads 2019–2022

	2019	2020	2021	2022
Ads Shown	93	62	96	68
Unique Brands	54	50	45	56
Minutes of ad air time	49 minutes 45 seconds	51 minutes 15 seconds	57 minutes	44 minutes
The average price of 30-second commercials	\$5.3M	\$5.6M	\$5.5M	\$6.5M

Many are excited to watch the game and drink and never think commercials are a distraction. There could be no better promotional opportunity for enterprises to market their brands and products.

Many companies, naturally, want to air commercials in this program slot, and the competition is manifested in high advertising costs.

We focus on the data regarding commercials aired at Super Bowl games over the last four years. According to Marketing Dive (2019, 2020, 2021, and 2022) and Kantar (2020), the number of advertisers exploded in 2019; there were 93 commercials (54 unique brands), and nearly 50 minutes of the TV show was for broadcasting the ads. Next year, 2020, despite it decreased to 62; in 2021, it recovered to 96, surpassing 2019.

It is interesting to observe an apparent biennial up-down phenomenon here. Since there were 45 companies in 2021, each aired an average of 2.13 commercials during this match. The on-air time of the commercials was 57 minutes, nearly an hour. The number of commercials turned to 68 in 2022. The number seems to be decreasing; 56 companies are participating, which means each company broadcasts 1.2 commercials with rich diversity.

3. Cost of the Advertisements

Even though the commercials broadcast during the Super Bowl game are one hour in total, it is a work unveiled in front of more than 100 million viewers. The high cost is understandable considering the high advertising effect. The average cost of a 30-second Super Bowl TV commercial in the United States grew from an estimated \$5M in 2019 to \$5.3M the following year (up 6%) and \$5.6M in 2020 (up 5%). The price went up steadily, and it stopped at \$ 5.5M in 2021 due to the depression caused by the pandemics of COVID-19. In reaction, 2022 saw the first-ever price tag of \$6.5M. (Nielsen, 2022) That is worth \$21.6M per second, and companies wanting to run 60-second commercials are charged double that amount. Of course, the cost of purchasing the broadcasting rights and the commercial production budget are separate.

There are mainly two reasons why the average cost of 30-second commercials has skyrocketed in 2022. One is that people expected to return to their daily lives after the pandemic; the second is the TV station, which reduced the commercial broadcast time by 13 minutes from the previous year. To convey corporate messages comparable to those before the pandemic within a limited time, many companies prepared ample budgets and purchased commercial slots without paying much attention to their advertising expenses.³⁾

Since the broadcasting rights are expensive, the companies and industries that can broadcast advertisements firmly reflect the social and economic conditions of the U.S. of the time.

4. Budweiser: the King of the Super Bowl CMs

There are several categories of commercials that run during the Super Bowl. At the top of the list are famous brands of food and beverages, snacks and delivery menus you want to eat while watching the game, and beer and carbonated drinks. These commercials have succeeded in intensely stimulating the consumer's willingness to buy. Lucas (2021) presents data on the "Most Frequent Super Bowl Advertisers" from 2010 to 2020. The all-time top brand is Bud Light with 26, followed by Doritos with 19, Budweiser with 17, T-Mobile with 17, and Coca-Cola with 16. It's worth noting that four of the top five beverage and snack brands are actively advertising their brands during the game.

Anheuser-Busch InBev, the parent company of Bud Light and Budweiser, lives up to its name as the King of Beers, the King of Super Bowl Sponsors, and has been a regular at the Super Bowl for nearly 40 years. However, in 2021, it pulled down advertising for its flagship beer product, Budweiser. Instead, they appealed to the brand by donating benefits to the Ad Council for the campaign to receive a coronavirus vaccine. With Budweiser out of the advertising line-up, people understood the seriousness of the social situation and had high hopes for a regular run in 2022. Finally, the brand's iconic Clydesdales horses were back in action in 2022.

5. Automobile manufacturing industry

This chapter considers categories different from the food and beverage business. Advertisers in the automobile manufacturing industry are also aggressively getting into Super Bowl commercials. According to data from Lucas (2021), the most frequently advertised car companies are Hyundai with 14 and Kia with 12 between 2010 and 2020. The former is 6th overall, and the latter is 7th. Other automotive companies are advertising at the Super Bowl between 2019 and 2022. This fact tells us that the world's famous automobile manufacturers (excluding related businesses such as used car sales and accessory parts sales) are listed. Every year, 7.25 companies are drawn to Super Bowl CM slots and aggressively pitch their brands despite the high spot prices.

The automobile industry is one of the most affected by the COVID-19 pandemics. We can see from Table 2 that only five companies sponsored in 2021 because driving a car across state lines to travel long distances was discouraged amidst calls for the slogan "Stay Home."

6. CMs of Toyota

Despite the ups and downs of the car industry, Toyota continues to advertise at the Super Bowl. Below are the titles and time lengths of Toyota commercials released over the past four years.

3) A commercial for a regular program on a US national network is said to cost \$105,000 for the same 30 seconds. A commercial for NBC's Sunday Night Football (a regular NFL game) costs \$811,679. In 2022, NBC broadcasted 68 commercials, which brought revenue of \$500 million. (Okamoto, 2022)

Table 2 : Automobile Manufacture Companies Sponsoring the Super Bowl 2019–2022

	2019	2020	2021	2022
Audi	●			●
BMW				●
Cadillac			●	
Chevrolet				●
Dodge	●			
Ford			●	
General Motors		●	●	●
Hyundai	●	●		
Jeep	●	●	●	
Kia	●	●		●
Mercedes-Benz	●			
Nissan				●
Polestar				●
Porsche		●		●
Ram	●			
Toyota	●	●	●	●
Total number of ads	8	6	5	9

2019: Toyota Supra “Wizard” (1:00)

2020: Toyota Highlander (1:00)

2021: Toyota Jessica Long’s Story “Upstream” (1:00)

2022: Toyota McKeever “Brothers” (1:30)

Before the pandemic, Toyota USA promoted its products with excellent, fast-moving commercials for specific models. However, in 2021, it made a significant change in direction, broadcasting narrative content that depicts the life of Paralympic swimmer Jessica Long. It did not advertise a specific car model and sealed the famous tagline “Let’s Go Places.” The message and the catchphrase displayed at the end of the commercial, “We believe there is hope and strength in all of us. --Toyota, Proud Partner of Team USA,” was also impressive. This one-minute ad resonated with people and was popular with the promoting TOKYO 2020 held in the summer of 2021. According to data from “Top 10 Super Bowl Ads by Total Views Online (as of Monday, February 8, 2021),” it had 28,911,562 views placing it in the top five for the year. Although the commercial did not feature any Toyota automobiles, the theme familiar to Americans, foster parenting, helped raise awareness of the brand and promoted the patronage of Toyota, which is close to people in need.

The success of Toyota CM in 2021 was also shown in the stock price. As Eastman et al. (2010) point out below, although Super Bowl commercials aired in February do not immediately affect the following

day, they may impact company stock prices a few days later.

While advertising in the Super Bowl does not have a significant positive impact on a firm's stock price the day after the Super Bowl, when considering windows from two to four days before and after there is a significant positive stock price effect. (p. 81)

When the author searched Yahoo! Finance for the stock price of Toyota Motor Corporation from November 2020 to April 2021, the stock price began to rise from the CM broadcast date (Sunday, February 7, 2021). As analyzed by Eastman et al. (2010), it peaked three days later, on February 10. This rise in stock prices is consistent with the positive responses to Super Bowl advertisements and is considered an economic effect due to the Super Bowl ad's impact.

Based on the success of this commercial rerouting strategy, Toyota aired a similar commercial at the Super Bowl 2022. Moreover, the advertisement time was 1 minute and a half seconds, 30 seconds longer than the previous year. Again, the Paralympic athletes (the McKeever brothers, Para-Nordic skiers) were depicted in their efforts and struggles. The corporate message was the same as the 2021 one, but the product's appeal increased, such as showing an old Toyota car in the commercial. Audiences impressed last year were bored when the pandemics were off the peak, and Tokyo 2020 was over.

How do young people react to these commercials? The author showed the 2021 and 2022 Toyota commercials to undergraduate students at Chuo University and asked them for their impressions.⁴⁾ 90.9% of the students answered, "2021 was better than 2022," and 78.3% commented, "I got bored half-way through 2022 CM because I was not surprised to see the content with the similar motif." It turned out that the effect of a CM is low even if the content that hits once is repeated. To win long-term

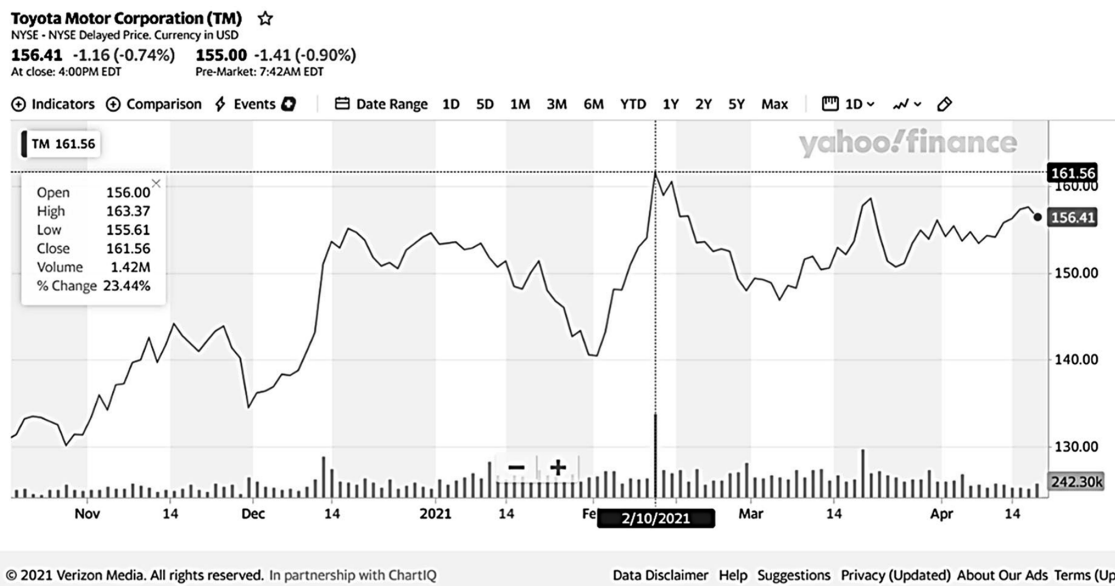


Figure 1 : Stock price of Toyota Motor Corporation November 2020-April 2021

Source : <https://finance.yahoo.com/> data retrieved on April 19, 2021

brand loyalty from the commercials of the Super Bowl games, we need to consider how to gain fresh impact and sympathy from the viewers.

Even though Toyota paid a fortune, the ad failed to gain as much popularity as its predecessor. In this way, whether or not a commercial becomes a hit is determined not only by the quality of the work itself but also by social conditions and people's psychological moods. Looking at Toyota's series of advertising works from 2019 to 2022, we can say the trend is remarkable.

Toyota's 2022 commercial was not as successful as it had hoped; if it does attend the 2023 Super Bowl, it will likely go back to pre-2020 ads promoting specific cars. Depending on the social transition, it is important not to broadcast commercials with the same motif while the people's memory is still apparent. It is also a good idea to use one year to promote a specific car model and another year to tell a touching story that triggers sympathy to increase brand loyalty.

7. Conclusion

We found that the commercials broadcast during the Super Bowl game, which is enthusiastically popular all over the United States, have the power to reflect the social situation and even move companies' stock prices. In this paper, we focused on ad works broadcast from 2019 to 2022 and observed how data related to advertising changed before and after the pandemics. We see the automobile manufacturing industry as aggressive in participating in this annual event; however, most companies were hesitant to run Super Bowl advertisements in a row. Toyota was the only company that has aired commercials for four consecutive years. In 2021, Toyota's ad was a big success, but it was a failure the following year. I also tried to analyze the reasons from multiple angles.

Advertisements effectively imprint a positive image of a company or brand on consumers. However, their influence may weaken if they are not sensitive to social conditions and broadcast in line with people's psychological changes. Global companies must continue to have the ability to foresee the future to obtain results worthy of paying huge commercial broadcasting fees.

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4) This survey was conducted using the "manaba" quiz platform during the 10th (July 1, 2022) class of Advertising and Marketing Communications of the Faculty of Global Management. There were 198 respondents. "manaba" is a cloud-based educational support service that has been adopted by many educational institutions in Japan. Professors can give quizzes, let students submit their reports, and conduct questionnaires.

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