



# Super Bowl Advertising Effectiveness: Is There a Return on Investment Based on Stock Market Data?

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## Abstract

This study examines whether advertisers in the 1996-2008 Super Bowls experienced a stock price gain relative to the more broad-based S&P 500 market performance for the week immediately before and after the game. The study also examines whether a significant difference exists between the daily stock price changes of Super Bowl stocks relative to the S&P 500 market performance over the ten trading days bracketing the event. Results indicate Super Bowl stocks outperformed the S&P 500 by over 1.0 percent. A performance difference was also identified across the ten days.

## Hypothesis

- ❖ H<sub>1</sub>: Super Bowl Stocks will outperform the S&P 500 during the period of Monday before through Friday after the game.
- ❖ H<sub>2</sub>: There is a significant difference between daily stock price changes of Super Bowl Stocks relative to S&P 500 performance over the ten-day period surrounding the Super Bowl.

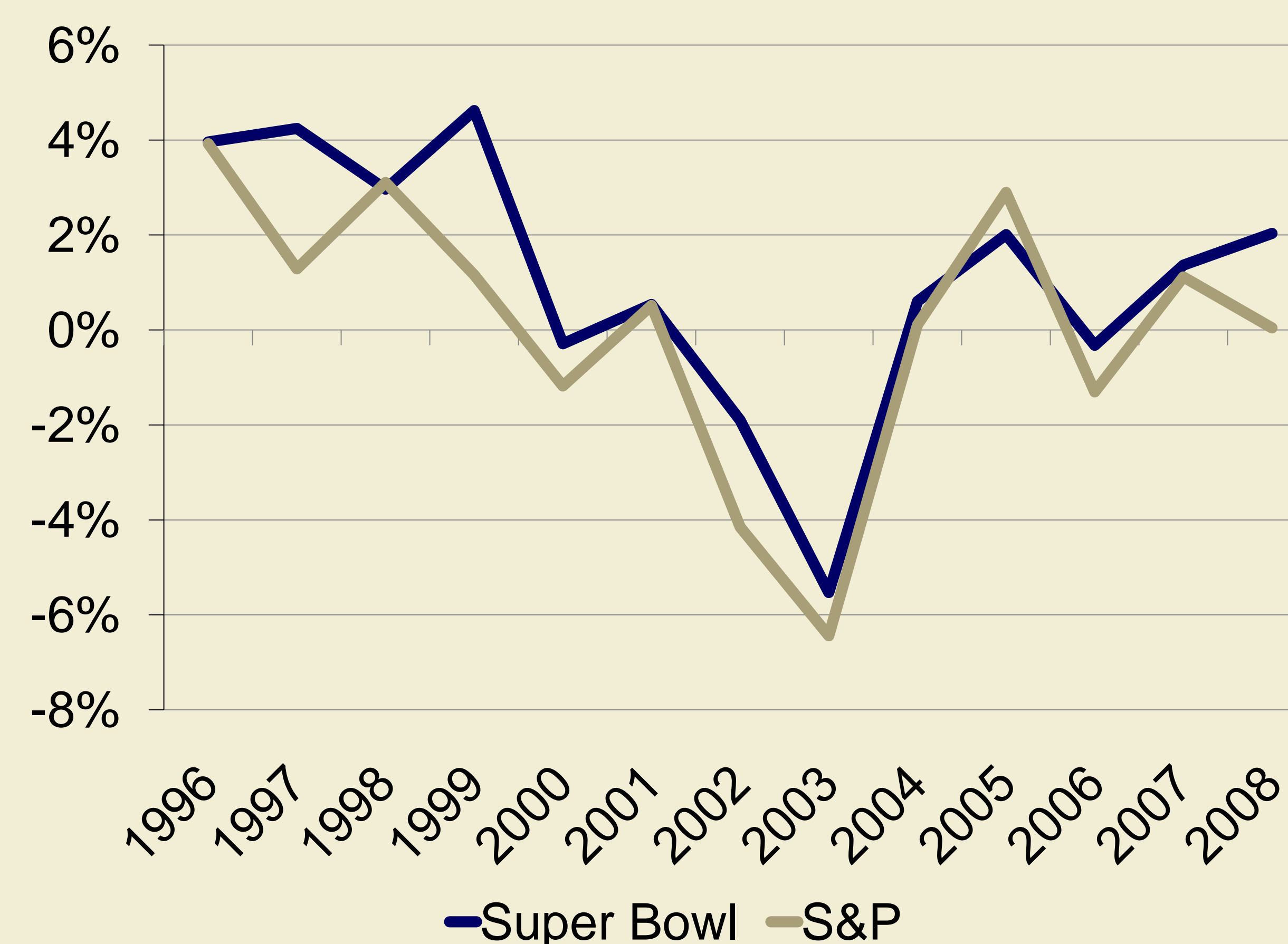
## Methodology

Identified Super Bowl Ads using *USA Today's* Ad Meter

Found parent company stock prices using Yahoo! Finance

Compared Super Bowl Stock portfolio to the S&P 500 for the period of the Monday before the game to the Friday after using Event Study Methodology and paired sample t-tests

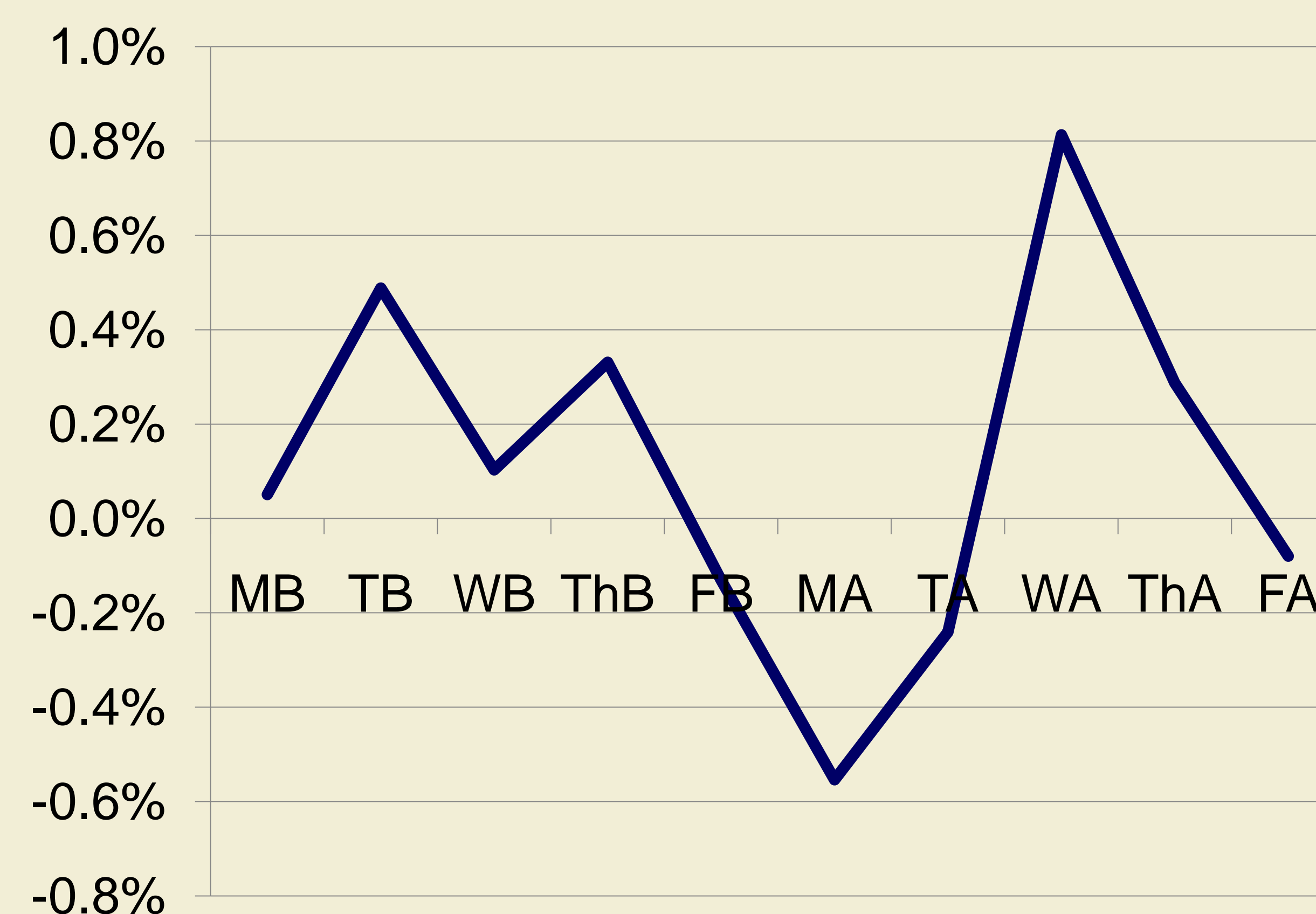
## Super Bowl Stocks vs S&P 500 Monday Before to Friday After



## Results

- ❖ As shown above, Super Bowl Stocks outperformed the S&P 500 in 11 of the 13 years studied. When Super Bowl Stocks outperformed the S&P 500, they did so by as much as 3.5 percent, whereas when they underperformed the S&P 500, they did so by a mere 0.9 percent.
- ❖ As shown below, in general, Super Bowl stocks experience gains during the week prior to the event. After the event they show slight losses, but more than make up for that with the 0.8% gain on the Wednesday after the game.

## Daily Percent Change in Super Bowl Stock Price



## Future Research

- ❖ We used the Standard & Poors 500 Index as an indicator of U.S. stock market performance. There are other indicators that are more robust, such as the Wilshire 5000 Index, which could be used instead.
- ❖ Future research should also examine stock price returns by industry or product category to see if one or more product categories perform better than others.
- ❖ It may also be worthwhile to examine if there is a relationship between the likability of the ads and stock price performance, as very little has been written on this subject and results are mixed.

## Media Coverage

- ❖ Wall Street Journal
- ❖ New York Times
- ❖ Barron's
- ❖ USA Today
- ❖ Fox Business Report
- ❖ Live Science
- ❖ CBS News

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