

Stock Prices and the Super Bowl

Introduction

There are many things that can cause a stock price to change. If it is something the company has done like introducing a new product or changing its leaders, it is called an “internal factor.”

If it is something that does not directly involve the company like inflation, consumer confidence, or a natural disaster, it called an “external factor.”

This activity will examine the impact of an internal factor (the company’s marketing strategy) and an external factor (the Super Bowl) on a company’s stock price.

Super Bowl History

The National Football League (NFL) is organized in two divisions: the NFC (National Football Conference) and the AFC (American Football Conference). The top teams in each division play in the Super Bowl to conclude the football season.

The first Super Bowl game took place on January 15, 1967 at the Los Angeles Coliseum. The Green Bay Packers (NFC) beat the Kansas City Chiefs (AFC), 31-10, to become the first “Super Bowl Champions.”

According to [History.com](https://www.history.com), the Super Bowl has since grown into “the second-largest day for U.S. food consumption, after Thanksgiving Day. In addition, the Super Bowl has frequently been the most-watched American television broadcast of the year; the seven most-watched broadcasts in American television history are Super Bowls.”

From a football game with an audience of 61,000 people in 1967, the Super Bowl has evolved into an American pop culture phenomenon where the halftime shows and even the commercials have their own distinct fanbases. According to Nielson, an estimated [123.7 million people watched](#) last year’s Super Bowl game!

In that number, 120.3 million people watched on CBS, making it the largest audience for a single-network broadcast. 2.3 million people watched the game in Spanish on Univision, and 1.2 million people watched an edited broadcast on Nickelodeon and Nick-at-Nite.

Commercials

At the start of November 2024, [Sportico reported](#) that Fox had already sold out of its Super Bowl advertising time. Companies rushed to pay seven million dollars to run a 30-second commercial during the game!



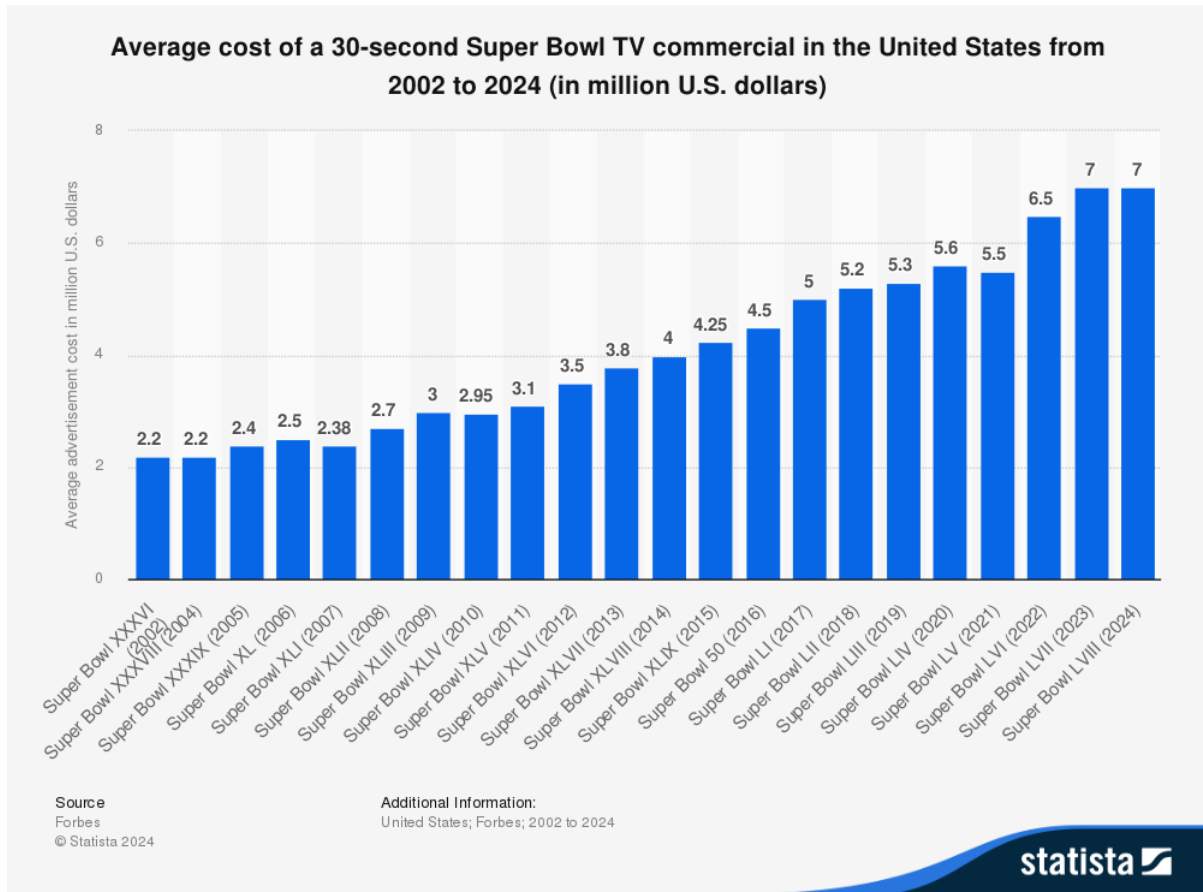
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Each year companies willingly pay the price for a 30-second Super Bowl commercial with the hope that their brands are seen by the game’s over one million viewers and beyond. According to Forbes:

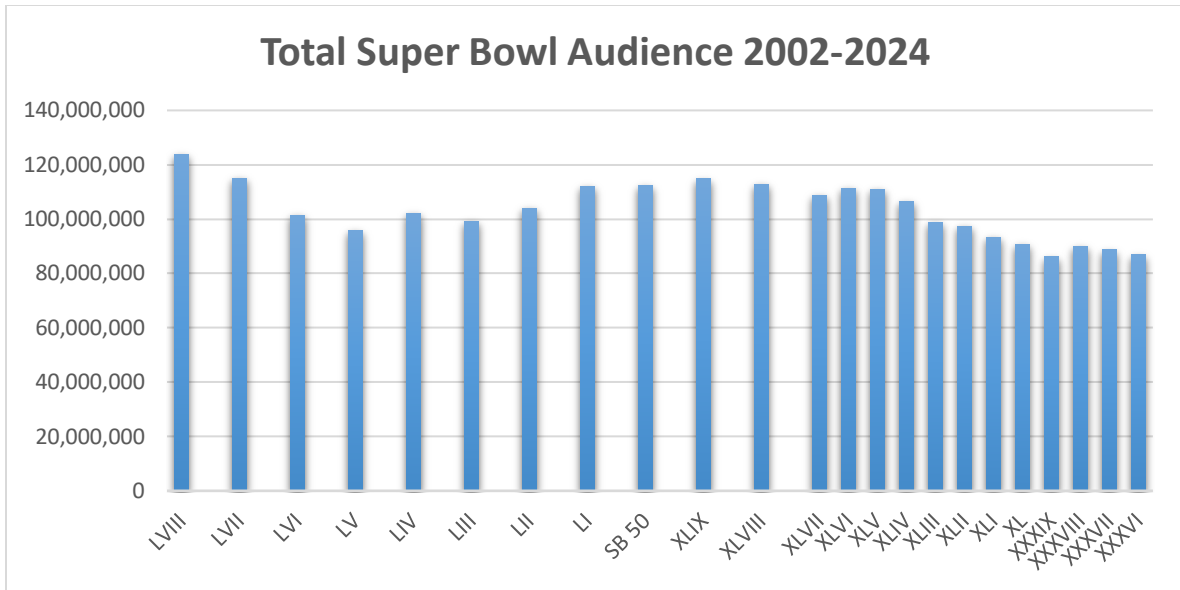
“Super Bowl advertising is a massive reach vehicle. As a channel, it can potentially deliver over 100 million impressions. Moreover, that reach is arguably a lower bound as the message can be echoed across online platforms as well as traditional media networks. Indeed, consumers rewatch Super Bowl ads on YouTube, news outlets discuss Super Bowl ads the next day, and brands post on their social and digital channels.”

The following charts show the increases in price and audience from 2002-2024:



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The 2021 Super Bowl was the first time Dexcom (Symbol: DXCM) bought advertising time. Its President and CEO, [Kevin Sayer](#), says that the company’s commercial during the Super Bowl LV helped generate five times more interest in their glucose monitor.

“As far as media impressions — those who hear the word or the name Dexcom — we had five times more media impressions in one day than we had all last year,” Sayer said. “As far as leads coming into our system, as people [got] interested in the technology, biggest day of lead generation ever. ... The message got out there very strongly.”

However, being seen by such a large and diverse audience also leaves the company open to greater scrutiny. In a personal Esquire essay, writer [Dave Holmes](#) explains the controversy:

“This life-saving device is too expensive for most T1s [Type 1 Diabetes patients] ... the process of acquiring one is complicated and often very expensive, even for people with good insurance. Which makes the year’s most expensive ad buy, for a product that only a small percentage of the U.S. population needs, confusing to me and others. A 30-second commercial spot in Super Bowl LV costs \$5.5 million, and that just covers the time.”

Stock Prices

Despite the controversy, Dexcom’s stock price rose 0.6% the Friday following the Super Bowl.

Super Bowl LV was also the first time Oatly (Symbol: OTLY) ran a commercial. It received a lot of negative criticism which seemed bad. However, it soon became clear that it might just have been a clever marketing tactic. The company sold out of [500 T-shirts](#) in five minutes! The shirts were printed with the phrase, “I totally hated that Oatly commercial.”



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Its Super Bowl commercial helped it launch a successful IPO just a few months later. Oatly went public in May 2021 at \$17 per share. It closed \$20.20 a share on its first day of trading.

A [Kantar study](#) that found that the return on investment (ROI) for each dollar a company spent on its Super Bowl LVI (2021) ad was on average \$4.60. It goes on to state that T-Mobile, AT&T, and Verizon saw double digit ROIs for their ads. If you wish to watch their ads, you can do so at the Superbowl-ads [website](#).

University of Wisconsin-Eau Claire [marketing professors](#), Chuck Tomkovick and Rama Yelkur found the stocks of companies that advertised during the Super Bowl outperformed the S&P 500 by more than 1% the week after the game.

Most researchers agree that running a commercial during the Super Bowl will affect a company's stock price. However, the degree of impact is uncertain. In citing the positive impact Super Bowl advertisements had on Dexcom and Oatly's stock performance, it is essential to note that both stocks were performing well before the game.

Activity 1

Do you agree that advertising during the Super Bowl positively impacts stock prices? Is it worth the multimillion-dollar price tag?

Let's conduct an informal investigation and review Dexcom's and another first-time advertiser, Fiverr's (Symbol: FVRR) stock performance after Super Bowl LV. Select a financial news and stock information site to help you complete the table below.

Historical price information can usually be found by simply selecting the desired date range on a stock quote and moving your mouse over to the desired date on the quote graph.

Enter the stock's ticker symbol and the closing price on the last day of the date ranges noted. Use February 12, the Friday after Super Bowl LV, to complete the 5-Day Close for Dexcom. Use May 20, the date of its IPO, to complete the 5-Day Close for Fiverr.

Site Used: _____

TICKER	5-DAY CLOSE – February 12, 2021	1 MONTH CLOSE – March 8, 2021	END OF THE YEAR CLOSE – December 31, 2021

Describe the stock price changes for each stock on the table. For example, did Dexcom continually rise or fall from February 12 to December 30? How much did the stock price change? A lot or just a little?

TICKER	DESCRIPTION



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What's your opinion? Based on what you know so far, is buying a Super Bowl advertisement a good investment for a company? Explain.



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Activity 2

This is a list of Super Bowl LVIII advertisers from 2024 SMG Super Bowl lesson:

ADVERTISER	SYMBOL
BetMGM*	MGM
BMW	
Doritos	PEP
Dove	UL
Drumstick*	
FanDuel	
Hellmann's	UL
Kawasaki*	
M&M's	
Molson Coors	TAP
Mountain Dew	PEP
Nerds*	
NYX Professional Makeup	
Oreo	MDLZ
Paramount+	PARA
Popeyes*	
Pringles	K
Reese's	HSY
SquareSpace	SQSP
Starry*	PEP
Temu	
TurboTax	

* indicates first-time advertiser.

Select two publicly traded companies that advertised during Super Bowl LVIII. Repeat what was done in **Activity 1** for these companies. Include the current price for these companies.

If you chose a brand or a subsidiary, find their parent company and use its ticker symbol.

[SuperBowl-ads.com](https://www.superbowl-ads.com) provides a full list of commercials from Super Bowl LVIII. Feel free to select from that list as well.



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Site Used: _____

Today's Date: _____

TICKER	CLOSING PRICE (Before Super Bowl LVII – February 9, 2024)	5-DAY CLOSE (After Super Bowl LVII – February 16, 2024)	CURRENT PRICE

Describe the stock price changes for each stock on the table. For example, did the price continually rise or fall from February 14 to December 30? How much did the stock price change? A lot or just a little?

TICKER	DESCRIPTION

Based on what you know so far, was buying a Super Bowl advertisement a good investment for these companies? Explain.



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Activity 3

[MarketingDive.com](https://www.marketingdive.com) has a list of companies that have bought ads in this year's Super Bowl. (as of January 2, 2025).

ADVERTISER	SYMBOL
Coffee Mate*	
Coors	TAP
Doritos	PEP
Dove	UL
GoDaddy	GDDY
Haagen-Daz	
Hellmann's	UL
Instacart*	CART
Jeep	STLA
Mountain Dew	PEP
Nerds	
NerdWallet*	NRDS
NFL	
Pringles	K
Reese's	HSY
Ritz	MDLZ
Rocket	RKT
Skechers	SKX
Stella Artois	BUD
Taco Bell	YUM
Totino's Pizza Rolls	GIS
TurboTax	INTU

* indicates a first-time advertiser.

Choose two publicly traded companies from the list and enter their stock performance information in the table like you did in the previous activities. We are going to compare their stock performance for this year's Super Bowl to their performance last year.



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Site Used: _____

Today's Date: _____

TICKER	CLOSING PRICE (Before Super Bowl LVII – February 9, 2024)	5-DAY CLOSE (After Super Bowl LVII – February 16, 2024)	CURRENT PRICE

TICKER	CLOSING PRICE (Before Super Bowl LIX – February 7, 2025)	5-DAY CLOSE (After Super Bowl LIX – February 15, 2025)	CURRENT PRICE

Summarize the stock price changes for each stock in the table. For example, did the stock price continually rise or fall from before and after the Super Bowl? Were the changes extreme?

TICKER	DESCRIPTION

Based on what you know so far, was buying a Super Bowl advertisement a good investment for these companies? Explain.



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In your opinion, should companies spend their money on Super Bowl advertisements? Explain.



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Enrichment Activity




Note: This activity requires students to watch the commercials that play as a part of the Super Bowl experience. It is likely that some of the commercials contain suggestive content. If this offends you, please do not complete this optional activity.

Do you have a favorite commercial or is there a commercial you saw that has stuck in your head?

Super Bowl commercials have become their own event, complete with enthusiastic fans. Media experts pit the advertising agencies that produced the commercials against each other in an “Advertising Super Bowl.”

Using the Kellogg Bowl: 2022 Super Bowl Ad Review rubric rate the effectiveness of this year’s Super Bowl commercials.

ADPLAN: A more strategic framework for evaluating ads

ATTENTION	Does the ad engage the audience?	<p>“Having a compelling benefit is critical. If you are going to have an impact on sales you need to give people a reason to buy.”</p> 
DISTINCTION	Is the execution unique in delivery?	
POSITIONING	Is the appropriate category represented and a strong benefit featured?	<p>TIM CALKINS Clinical Professor of Marketing Kellogg School of Management</p> <p> @KelloggSchool</p>
LINKAGE	Will the brand and benefit be remembered?	<p>“It is always interesting to see the brands that win with positive amplification.”</p> 
AMPLIFICATION	Are viewers’ thoughts favorable?	
NET EQUITY	Is the ad consistent with the brand’s history and reputation?	<p>DEREK RUCKER Sandy and Morton Goldman Professor of Entrepreneurial Studies in Marketing</p> <p> @derekdrucker</p>

SOURCE: <https://www.kellogg.northwestern.edu/news-events/super-bowl.aspx>



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1 = Not Effective At All. 5 = Extremely Effective

Company: _____

Product/Service: _____

Ticker Symbol: _____

CATEGORY	RATING*					SUBTOTAL
ATTENTION	1	2	3	4	5	
DISTINCTION	1	2	3	4	5	
POSITIONING	1	2	3	4	5	
LINKAGE	1	2	3	4	5	
AMPLIFICATION	1	2	3	4	5	
NET EQUITY	1	2	3	4	5	
	TOTAL					



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Company: _____

Product/Service: _____

Ticker Symbol: _____

CATEGORY	RATING*					SUBTOTAL
ATTENTON	1	2	3	4	5	
DISTINCTION	1	2	3	4	5	
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	TOTAL					

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NET EQUITY	1	2	3	4	5	
	TOTAL					



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Company: _____

Product/Service: _____

Ticker Symbol: _____

CATEGORY	RATING*					SUBTOTAL
ATTENTION	1	2	3	4	5	
DISTINCTION	1	2	3	4	5	
POSITIONING	1	2	3	4	5	
LINKAGE	1	2	3	4	5	
AMPLIFICATION	1	2	3	4	5	
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	TOTAL					

Company: _____

Product/Service: _____

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CATEGORY	RATING*					SUBTOTAL
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NET EQUITY	1	2	3	4	5	
	TOTAL					



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Company: _____

Product/Service: _____

Ticker Symbol: _____

CATGORY	RATING*					SUBTOTAL
ATTENTION	1	2	3	4	5	
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LINKAGE	1	2	3	4	5	
AMPLIFICATION	1	2	3	4	5	
NET EQUITY	1	2	3	4	5	
	TOTAL					



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Based on a tally of the total scores, which company had the most effective commercial?

Explain why you felt its commercial was the most effective.

Comparing its stock price the Friday before the Super Bowl (February 7, 2025) and its price five days after (February 15, 2025), what conclusions can you draw?

Based on what you have learned so far, would you include shares of this company in your SMG portfolio? Explain.



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