



## Do Top-Rated Super-Bowl Ads Get A Post-Game Bounce?

CNBC, SUPER BOWL, ECONOMY, SUPER BOWL COMMERCIALS,  
 CNBC.com | 31 Jan 2011 | 10:31 AM ET

Picture a bunch of Wall Street traders in various states of hangover at their desks on Super Bowl Monday, having a laugh over the best TV spots of the night before and maybe mulling a few market bets.

Perhaps they liked [E\\*Trade's](#) spot the best, and are bidding up its stock, thanks to a talking-trading baby in a crib.

Andrew Keller thinks so. CEO of Crispin Porter & Bogusky—a major player in Super Bowl spot advertising—Keller says: “It makes sense that the share price would go up because its driven by people’s belief in that company having momentum, being aggressive, and taking their marketing seriously.”

He may be on to something.

Though hardly scientific, a handful of companies set to advertise in Super Bowl XLV offer an interesting track record in prior bowls XLIV, XLIII, and XLII.

It’s common practice for USA Today’s Ad Meter and Nielsen to rate the likeability of the ads, but investors—based on share price movements the day and week after the games—seemed to weigh in on their own favorites,

After Super Bowl XLIV in 2010, for instance, the top-ten commercials rated by USA Today’s Ad Meter rated [PepsiCo](#) in second place, and [Anheuser-Busch InBev](#), the maker of Budweiser, came in third and fourth with multiple ad buys.

(While most of us remember first place going to Mars’ Snickers Betty White ad, it’s not a publicly-traded company, so we have to put aside.)

The day after the game, Anheuser-Busch was up 1.3 percent from Friday’s close while the [S&P 500](#) was down 0.9 percent. Pepsi was in line with the market, with a 0.9-percent loss.

However, by the end of the week, PepsiCo was up 2.4 percent, vs. the broader market’s 0.9-percent gain, and Anheuser-Busch was up a whopping 6.7 percent. Coming in fifth place was [Coca-Cola](#). The next-day performance was only a hair’s breath better than the market with a 0.8-percent loss, but by the end of the week it had gained 1.7 percent.

One anomaly of sorts was E\*Trade. At seventh place in USA Today’s top ten list, it was the best next-day performer of them all, when its share price jumped 2.1 percent. But there was no further gain for the rest of the week.

Here’s how Super-Bowl TV favorites rated and performed in prior years.

**2009:** On Super Bowl Monday, the S&P was flat. Anheuser Busch was down 4.3 percent. It was the worst performer in our group of Ad Meter winners, followed by Coke with a 1.1-percent loss.

Two that bucked this trend were Etrade and Pepsi, which were both in line with the market. By Friday, however, both stocks had rebounded strongly. Pepsi 6.6 percent and E\*Trade 11.4 percent. The S&P 500 had gained only 5.2 percent. Still lagging were Coke (up 1.9 percent) and Anheuser Busch (3.0 percent).

**2008:** Read ahead with recession in mind. The day after the Super Bowl, (Anheuser-Busch was down 1.9 percent, while the broader market was only down 1 percent.

By Friday’s close, AB was down 2.6 percent, but the market was down more—4 percent.

As for others on Monday—E\*Trade was up 4.0, percent PepsiCo 1.4 percent and Coke was, well, flat, but had still outperformed the market.

### Long-Term Correlation?

What about a month, or even six months out?

Just because a company airs a great ad in the Super Bowl doesn’t make it a good long-term investment. Two or three months later, the performance of these various companies is totally uncorrected.

Professor Kenneth Kim of UB School of Management, who co-authored a study of Super Bowl commercial likeability in Princeton’s 2009 Economics Letters, questions whether the post-game share price bumps actually led to an increase in sales later in the year. Kim and his colleagues found no such correlation.

“The immediate reaction is most accurate,” Kim says. “On that Monday, commercial likeability is probably the most salient information investors will use. A month out, too much other information has been impounded on the stock price. While the Super-Bowl effect has not disappeared, something else has happened.”

It is clear that profitability—despite the obvious boost in brand awareness—trumps Super-Bowl hype.

Take last year, for example.

By June 30, 2010, E\*Trade—the previous best Super Bowl performer—was down 19.0 percent, and Anheuser-Busch was up just 4.0 percent.

[Sketchers](#), which lost 1.3 percent on Super Bowl Monday, was up 32.3 percent by that time.

So, even though Sketchers did not have a ‘most likeable’ ad according to either USA Today or Nielsen, it certainly outperformed its more ‘likeable’ competitors later in the year.

So, enjoy the game and Super Bowl Monday.

One thing's for certain, says Kim, "We will be bullish on [Super Bowl] Monday".

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