

# Three questions to ask before investing in 2023 Super Bowl Ads

Gerard J. Tellis, Yusuf Ansari and Arif Ansari

Source: WARC Exclusive, May 2022

Downloaded from WARC

**WARC**

Examines whether investing in pricey Super Bowl ads pays off, and how best to exploit the investment.

- The Super Bowl is one of the last remaining mass-market TV events, so prices rise every year.
- This causes many marketers to heavily weigh whether they should invest in the Super Bowl, because the stakes are so high.
- That said, Super Bowl ads may pay off depending on the advertiser's need for a mass market versus its ability to craft ad content to win virality.
- A viral ad can double or triple the already high Super Bowl audience.

## Why it matters

While most brands can't afford to advertise during the Super Bowl, it remains an increasingly valuable opportunity that demands careful consideration before plunging in, even among big-budget brands.

## Takeaways

- Increasingly, no TV event is even remotely comparable to the Super Bowl in terms of reach, which makes it a very enticing platform for some brands.
- The key to making investment in the game's ads worthwhile is to craft the ad to go viral, a tough thing to get right; but, a Super Bowl ad costing \$7 million that also wins 69 million views on YouTube costs about 10 cents per quality view. When added to the 112 million impressions of the 2022 Super Bowl audience, the cost per impression drops below four cents.
- However, only a few ads every year go viral; those that do tend to arouse emotion and contain elements such as humor, surprise, babies, and animals – along with a de-emphasis on overt branding.

- YouTube has been the biggest game changer for Super Bowl ads, and increasingly the platform is being used as a place not just to tease audiences prior to the game and gain additional reach over time, but also as a place to test and tweak ads pre-game so that they resonate with target audiences.

The Super Bowl may have been played several months ago, but the record-setting price of the 2022 Super Bowl ads (**up to \$7 million for 30 seconds**) continues to puzzle experts and amateurs. The price of Super Bowl ads has risen year after year, even before inflation was an issue, so brands are right to wonder if the investment really paid off. As we look toward to 2023, there's nothing to suggest costs will plateau, especially given that Fox – which will broadcast the game next year – **reportedly started selling spots 18 months early** to capitalize on advertiser interest.

Whether a Super Bowl ad investment is worth it or not relies on answering three questions.

First, why are prices so high (and how can they be justified)? Prices are high because of the simple balance of demand and supply. The rise of streaming and other forms of TV delivery has splintered the mass market for TV audiences into hundreds of channels of programming. The Super Bowl has one of the few remaining mass-market audiences, supplying more than a 100 million viewers glued to a single show in the US alone. Few other such shows remain, and even then they comprise much smaller audiences. While NBCUniversal – which aired the game this year – reported an audience of **more than 112 million viewers across its platforms**, the recent Academy Awards telecast – also considered a bellwether live TV event – garnered only 16.6 million viewers (and that was an increase from the previous year).

For advertisers who have a simple message for the mass market (think **Alexa Mind Reader** or Chevy Silverado – **New Generation**), the Super Bowl represents one of the few great opportunities to reach such an audience, so advertisers are willing to pay huge sums for ads during this event. This demand is especially true of deep pocketed high-tech firms or those with rising sales. What's \$7 million for an **Amazon** or **Alphabet** that is worth trillions?



The second question: at that price, can Super Bowl ads be considered effective?

That depends a lot on whether a particular ad goes viral. The rise of YouTube has revolutionized advertising. Super Bowl advertisers in particular now customarily release an ad on their private YouTube account for free. If

one of these ads is cleverly crafted and tweaked for resonance, it can gain the voluntary, organic (not forced or paid) views of consumers. If the ad captivates consumers, they share it with contacts. When repeatedly shared, views snowball and if they cross a threshold, say a million views, the ad goes viral.

Each year, a few Super Bowl ads go viral. Some highly shared ones reach over 60 million organic views, which can be more valuable than views on TV. Not only are these voluntary, but they are typically without distraction, and win viewer engagement in the form of likes, comments, or shares. They also provide advertisers with valuable feedback. A \$7 million Super Bowl ad that wins 69 million views on YouTube (e.g., [Alexa Mind Reader](#)) costs *less than 10 cents* per quality view! Add to these views the 112 million impressions of the 2022 Super Bowl audience, and cost per impression drops below four cents.

However, the challenge is triggering virality. While almost all advertisers hope for virality, the vast majority of Super Bowl ads are duds. So, the question of effectiveness is a pressing one for advertisers whose ads don't go viral. In addition, because of the high cost of Super Bowl ads, alternative TV media or programs can also deliver virality at much lower cost.

That brings out the third question, what drives virality?

My co-authored research, [“What Drives Virality \(Sharing\) of Online Digital Content? The Critical Role of Information, Emotion, and Brand Prominence”](#), answered this question in 2019. We trained raters to analyze the content from two independent samples of TV ads on over 60 characteristics. The inter-rater reliability met current standards. We then analyzed sharing as a function of these 60 characteristics. The results were simple and consistent with our theory that emotion triggered by drama works better than argument or evidence. This is because it is more interesting, makes the viewer empathize with the characters, immerses the viewer into the plot, and renders the message credible. Surprise, especially at the end, is important to stimulate sharing, because it leaves the viewer excited about the drama's end. Humor also works better than sex appeal because it leaves viewers in a positive mood, which they want to pass around.

In contrast, even though viewers may privately view ads with sex appeal, they do not want to appear cheap by sharing such ads. Even though some very popular Super Bowl ads feature celebrities, generally babies and animals do better. Besides costing less, audiences find them authentic. Length is important. A length of about 30 seconds or one minute is not too long for boredom to set in nor too short to get the message along. Viewers share ads of new products more than those of mature ones. But for the new products, argument also works well. Contrary to conventional wisdom, viewers share ads most when the brand name or logo appears late, pulsed, or inconspicuously. This makes sense; viewers do not want to share ads with prominent brand elements lest they appear as salespeople for the brand. Testing our model with these drivers on the first sample and predicting on the second sample hit an accuracy level of about 72%. Not perfect, but helpful for crafting ads.

Our analysis so far of the 2022 Super Bowl ads largely validates these theoretical drivers of virality. The highest viewed and shared ads on YouTube are those that are funny ([BMW Zeus & Hera](#)), surprising ([Alexa Mind Reader](#)), of modest length (30 to 60 seconds – for YouTube anyway), have an element of newness ([Coinbase QR code](#)), arouse positive emotions ([Bud Clydesdale Horse and Dog](#)), and place the brand name inconspicuously.



Over time, Super Bowl ads have witnessed dramatic changes. Many years back, we recommended that advertisers use YouTube to tease, test, and tweak (TTT) their ads to maximize sharing and viewing. 2022 saw that maxim put into practice. An increasing number of advertisers introduced trailers to tease viewers about their upcoming big ad on the Super Bowl to heighten suspense and build engagement. Several advertisers tested alternate variations of their ads to maximize viewing and tweaked their ads based on immediate response to the tests, such as [General Motor's Dr. EV-il](#) commercial.

Indeed, we tracked more than 250 variations in total. A few advertisers, unhappy with the response, aired a completely new version of the ad during the Super Bowl. On top of that, advertisers promoted their ads to their subscribers. All of this paid off. For example, Alexa Mind Reader captured over 40 million views even **before** the Super Bowl aired. However, a word of caution! TTT should be informed by our theoretical drivers, otherwise it confuses advertisers who could overspend in futile tests. The ads that did not gain big may not be wasted. Advertisers could modify versions of them to target small segments who did respond to them during the Super Bowl.

So, to answer the biggest question – will advertising on the 2023 Super Bowl be worth it, even at what will likely be a higher price? For the brand that can put up the money, and which crafts the ad for virality, the answer is probably yes.

## Further reading

WARC Exclusive: [A closer look at the advertising that truly engaged Americans during Super Bowl LVI](#)

WARC Opinion: [From Influential Ideas to Enduring Icons: Measuring the effectiveness of 2022's Super Bowl ads](#)

WARC Opinion: [Super Bowl ads will set the tone for CPGs' interactions with consumers in 2022](#)

## About the authors

Gerard J. Tellis

Neely Chaired Professor of American Enterprise, USC Marshall School of Business

Dr **Gerard J. Tellis** is the Neely Chaired Professor of American Enterprise, Director of the Institute of Outlier Research in Business (**iORB**), and Director of the Center for Global Innovation (**CGI**) at the University of Southern California's **Marshall School of Business**. His recent book is ***Advertising and Social Media: Strategy & Analytics***.

Yusuf Ansari

Founder and CEO, Intuition Intelligence

**Yusuf Ansari** is Founder and CEO of **Intuition Intelligence**.

Arif Ansari

Clinical Professor of DSO, USC Marshall School of Business

**Arif Ansari** is a Clinical Professor of DSO at the USC Marshall School of Business and creator of Viralizer platform.

---

© Copyright Ascential Events (Europe) Limited 2022

Ascential Events (Europe) Limited

Americas: 229 West 43rd Street, 7th Floor, New York, NY 10036, United States - Tel: +1 212 201 2800

APAC: 5 Shenton Way, UIC Building #10-01, Singapore 068808 - Tel: +65 3157 6200

EMEA: 33 Kingsway, London, WC2B 6UF, United Kingdom - Tel: +44 (0)20 7467 8100

[www.warc.com](http://www.warc.com)

All rights reserved including database rights. This electronic file is for the personal use of authorised users based at the subscribing company's office location. It may not be reproduced, posted on intranets, extranets or the internet, e-mailed, archived or shared electronically either within the purchaser's organisation or externally without express written permission from Warc.

**WARC**  
AN ASCENTIAL COMPANY

