



Motorola Wins The ROI Game In Super Bowl XLV

Gary Stibel, 02.10.11, 5:22 PM ET

This year's Super Bowl made for a great game, both on and off the field. On the field, two great teams went helmet-to-helmet in a battle of brawn. Both were winners. Off the field, hundreds of marketers went head-to-head in a battle of brains. Most were losers.

Forget the fact that commercial time cost \$6 million per minute--it was more than worth it for Budweiser, Doritos and a few others. Warren Buffett has shown that big money can be well spent. What's far more concerning is how much was invested in advertising and other marketing activities whose return was far smaller than the investment. The list is long.

Consider Toyota, that couldn't muster more than a confusing claim of "The #1 retail brand." Neither memorable nor moving. Juxtapose that with Chrysler's provocative "Imported from Detroit" message and the exceptional selection of Eminem as spokesperson.

However, the big winner of the event--because it's far more than a game--didn't buy any advertising time for its base brand, but accumulated many minutes and millions of dollars of value. It was Motorola.

While we cannot be totally objective--having negotiated the Motorola sponsorship years ago--our Brand Impact Evaluator estimates the Super Bowl value to Motorola at well over \$100 million, despite a cost that is significantly less than that (and confidential) and an advertising value alone in excess of \$60 million, despite not having bought a single commercial except for the spot featuring the Xoom.

{	Target Time Value (Positive)	X	Repeat Adjustment Factor (Positive)	X	Viral Commercial Migration (Positive)	X	Message Set-up Value (Positive)	X	Relationship Bragging Rights (Positive)	}	÷	Wear- Out Factor (Negative)	}	÷	Reliability/ Risk Adjustment (Negative)	}	+	Celebrity Cost/ Value (Positive)	}	=	Equity Performance Premium
	\$37.1M		1.2		1.3		2.2		1.1			2.1			1.4			\$12.0M			\$59.6M

Note: This is a real example for a client whose name has been disguised for reasons of confidentiality.

For example, can you imagine the cost of hiring every NFL head coach, assistant coach, coordinator, etc. to be a spokesman in your commercials? That would be about 1,000 different paid actors for a total of 1,000 hours per season, not to mention all of the highlights, photos and fans that would see your brand at the games.

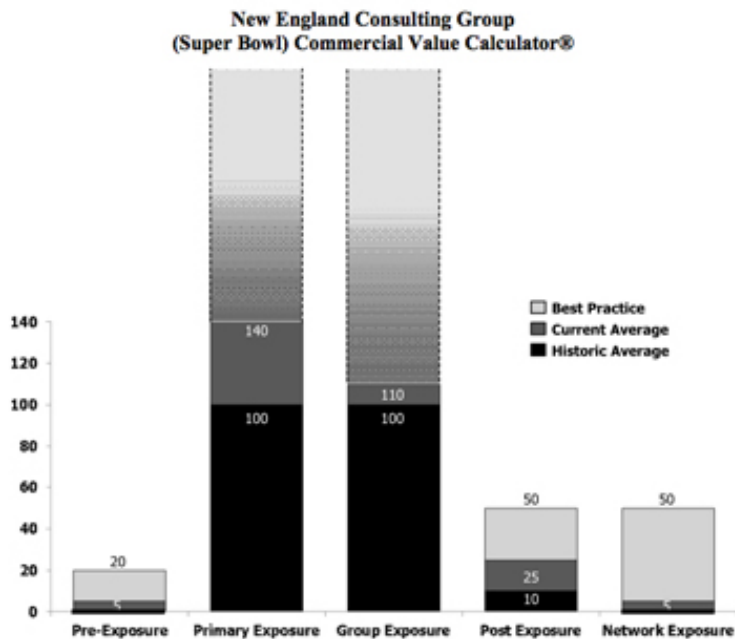
The Motorola brand and/or logo was in plain view of passionate fans that live, breathe and die football all season long. Not counting the Super Bowl, or even the playoffs, there were about 350 NFL games with almost 40 in prime time, and an average of 18 million viewers. Now compare that to a questionable ad that most people won't remember for 30 seconds at a cost of \$3 million. Which would you rather have?

But it doesn't stop there. At the end of the commercial, or even the end of the game/party, great marketers get far more mileage out of their advertising and sponsorship dollars than most.

In the days of *Mad Men*, marketers and advertisers counted GRPs (gross rating points), WRRMs (women related recall messages), and dozens of other metrics that could be converted to acronyms at a static point and time, i.e., only when the commercial was

being aired.

Today our Brand Impact Evaluator and Commercial Value Calculator are far more robust, taking into account not only the quantity, but also the quality of time the brand is in the mind of the consumer (not just on the air), as well as the subtle, and not so subtle, ways true marketers squeeze value out of every dollar they spend.



And it is very easy to document/quantify the unadulterated waste from much Super Bowl advertising whose return on investment is negative. Simply list the Super Bowl advertised brands you will now buy as a result of your having watched the game, and subtract that number from the 48 commercials that ran. Then multiply by \$3.5 million. It might not eliminate the national deficit, but it would go a long way to improve the profitability of most Super Bowl advertisers/marketers.

Some of the most provocative Super Bowl advertising this year was for movies that you can't even buy yet, you will have forgotten by the time you can (if not already), will have a half-life of only weeks or months and will not be commercial successes.

Entertaining, you bet. Good investment, not quite.

God created programming to entertain, and by all standards, the Super Bowl is by far the most entertaining event on the planet. God created advertising to sell, and this year's Super Bowl advertising must have been a huge disappointment to her.

Gary Stibel is CEO and founder of The New England Consulting Group and a former Procter & Gamble marketing manager.